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Housing Intensification Study Study Background Report

The Regional Municipality of Hamilton-Wentworth
Planning and Development Department
Local Planning Branch

December 1989



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EXECUTIVE SUMMARY

Introduction

The City of Hamilton is experiencing significant increases in housing costs. Affordability has become a concern of many households. Neighbourhoods in the City are losing dwelling units, and therefore, population. Demographic changes predicted for Hamilton indicate that the population will grow only slightly over the next twenty years, and that the average number of persons living in a household will decline significantly. These factors will lead to a continued demand for new housing units. These new units will need to be both affordable and suitable for smaller households.

Housing intensification means increasing the number of households accommodated in existing buildings and/or existing serviced land in already built-up urban areas. Housing intensification may be able to address the dual need for housing units that are both smaller and more affordable. The intent of this report, is to provide background information and analysis on issues related to housing intensification. This includes an analysis of the current and future supply and demand for housing in Hamilton; background information regarding the three forms of housing intensification known as conversion, infill, and redevelopment; a discussion of the impacts of intensification on neighbourhoods; and a review of current policy and controls as they relate to housing intensification.

Demographic Trends

Demographic trends in Hamilton were examined based on population projections prepared by the Regional Planning Department, and the 1986 Census of Canada. The population projections estimate a year 2006 population of 310,700, rising only slightly from 307,200 in 1988. In fact, the population growth rate is expected to decrease from 1991 to 2006, representing an eventual decline in Hamilton's total population by the year 2006.

Despite the slow growth of the population, the rate of growth for new household formation is expected to continue to rise, with a total increase of 8.4 percent by the year 2006. The average household size will decrease to approximately 2.37 persons per household.

The reduced population growth and the decrease in average household size means that an additional 10,200 households may potentially be formed, suggesting a need for an equal amount of new dwelling units. These new units will be required to accommodate changes in household composition, including increasing numbers of single parent families, childless couples, "empty nesters" (parents whose children have left home) and seniors.

Housing Trends

The number of dwelling units in Hamilton increased from 118,601 units in 1977 to 125,608 in 1986, but in recent years, it has increased more rapidly with an additional 4,343 units created from 1986 to 1988. However, the majority of these units are not rental units, which have generally provided the bulk of Hamilton's affordable housing. Between 1982 and 1988, only 31.5% of the newly-built housing was rental, whereas over the last decade, 47.5% of the total housing stock has been rental.

The shortfall in construction of rental housing has led to an increasingly short supply of vacant rental units. In April of 1988, the vacancy rate for structures with more than six rental units was 0.3 per cent, down from a rate of 4.8 per cent in April of 1978. A vacancy rate of 2.0 per cent

is considered to be acceptable.

The data also suggest that fewer people are able to afford rental housing. Rents have been increasing at a rate that is higher than the rate of inflation. The 1986 Census showed that a total of 12,255 Hamilton Households paid more than 30% of their income for shelter. Waiting lists for subsidized housing are also growing, indicating that a greater number of people are having difficulty finding affordable accommodation.

Conversion

Conversion can be defined as the process of increasing the number of individuals and households that can be accommodated in dwelling units with or without major physical alterations to the building itself. It can also include the adaptation of non-residential buildings to residential uses. An example of conversion would be the creation of a self-contained apartment within an existing occupied single-detached dwelling.

Conversion could potentially result in the creation of approximately 9,000 units in the 72,000 grade-related dwellings in Hamilton. This figure is based on a provincial study which concluded that one in eight homeowners would be interested in undertaking a conversion. A different method assumes that a dwelling with greater than 750 square feet of floor space per person could accommodate an additional dwelling unit. Using this method, it is estimated that an additional 8,500 dwelling units could be created.

Despite this potential, it appears that many conversions take place illegally in Hamilton. This may be attributed to a lack of understanding regarding the approval process, a desire not to conform to Ontario Building Code standards, or a desire not to pay the increased property taxes that would result from the creation of a new self-contained apartment. It has also been determined that while the City of Hamilton's Official Plan supports a wide variety of housing types, the Zoning By-Law may act to inhibit the potential for conversions mainly because of its policy to allow conversions to only those dwellings constructed before July 25, 1940.

A literature review revealed that neighbourhood residents have many concerns about conversions that must be addressed. These concerns are related to property maintenance, physical changes to neighbourhood buildings, the social class of new residents, the impact of conversions on property values, over-crowding of the neighbourhood and parking problems. While the literature revealed that some of the residents concerns may be unfounded, this does not imply that their concerns can be fully disregarded.

Infill

Infill refers to the construction of small to medium-scale housing, within existing residential areas on vacant or underutilized parcels of land, in a form which is physically integrated into the surrounding neighbourhood. There are four major types of infill.

- *Building on vacant parcels in otherwise built-up areas.*
- *Building a second dwelling on a lot which already contains a dwelling.*
- *Building additional dwelling units on the grounds of multiple-unit developments.*
- *Adding new residential structures to existing ground related buildings.*

The potential number of new dwelling units that can be created by infill is difficult to estimate. There are a number of vacant lots throughout the City which have the potential for development. There are also some areas where large lots could be subdivided into a number of smaller lots in

order to accommodate more housing. Infill development will occur mainly through private sector initiative, but non-profit housing may also take place through infill.

Zoning By-Law regulations may limit the potential for infill development. Minimum frontage and lot width requirements limit the potential for key lot or back lot severances where smaller lots are located. Also, only one building (for residential uses) is permitted on a single lot in low density areas, therefore, a severance must be obtained in order to infill on larger lots.

As in the case of conversions, neighbourhood residents have many concerns regarding infill which must be overcome in order for infill development to be successful. Among these concerns include the feeling of uncertainty over property values as a result of infill development, parking, loss of open space, the social class of new residents, and physical changes to neighbourhood buildings.

Redevelopment

Redevelopment can be defined as the replacement of non-residential uses or lower-density housing with higher density residential or mixed use development, and can also include the construction of residential units on vacant or underutilized sites in traditionally non-residential areas.

The greatest potential for redevelopment is in the Central Area of Hamilton where development densities are higher. There may also exist some potential in underbuilt commercial strips along suburban arterial roads. Lands which could be zoned to allow higher density residential or mixed commercial and residential uses would be appropriate for redevelopment. The Central Area Plan encourages mixed use developments, and the Zoning By-Law permits redevelopment and allows for the use of holding provisions that may reserve land for redevelopment.

There is some concern that redevelopment may not address the affordability issue if it is undertaken by the private sector. However, redevelopment could proceed in the form of non-profit or co-operative housing. Nevertheless, redevelopment would provide needed rental units.

As with the other forms of intensification, the public has concerns regarding redevelopment. These include fears of a loss of the existing building stock, obstruction of views and vistas, the effects of micro-climates, compatibility of building form, and loss of green space.

HOUSING INTENSIFICATION STUDY BACKGROUND AND ANALYSIS REPORT

1.0 INTRODUCTION

1.1 BACKGROUND

The City of Hamilton is experiencing significant increases in housing costs. Consequently, affordability is a concern of many Hamilton residents. Affordability is important to a household's quality of life, to government in providing funding for affordable housing, and to economic growth as an attraction to the City. Housing intensification offers a possible avenue for easing the situation.

"Housing Intensification," as it is used in this report, will be taken to mean **increasing the number of households accommodated in existing buildings and/or existing serviced land in already built up urban areas.**

Over the last decade, a de-intensification trend (the loss of residents to other areas of the city and the reduction in the quantity of available housing units in core area neighbourhoods) has been taking place in Hamilton as in all other major cities across the country. There are fewer dwelling units and fewer people living in neighbourhoods. Therefore, there may be potential for housing intensification. However, housing intensification must be carefully considered as there may be a number of effects, both positive and negative.

Demographic changes predicted for Hamilton also may be addressed by housing intensification. Hamilton's population growth rate is expected to decrease slightly over the next twenty years to the point where a decline in population is foreseen; however, the number of households is expected to increase. Also, the average size of these households is decreasing, with ever-larger numbers of one and two person households appearing. Therefore, demand for additional housing units will continue. The growing number of households, coupled with the current concern about affordable housing, has created a need for innovative dwelling forms that are both affordable and suitable for smaller households.

The study is being carried out in four phases:

- Phase 1 - Background
- Phase 2 - Analysis
- Phase 3 - Strategies
- Phase 4 - Implementation

The Terms of Reference for the Study are contained in Appendix A.

1.2 OBJECTIVES OF THE REPORT

Two Background and Analysis reports will represent the outcome of phases 1 and 2 of the study. The purpose of this report, Volume I of the study, is to explore the current housing situation, the different forms of housing intensification, and the existing policies

and controls which affect housing intensification. The objectives of the Background Report are:

- to provide background information and analysis on housing intensification as a basis for developing strategies;
- to determine the appropriateness of housing intensification as a response to the affordability problem and the supply of rental housing;
- to determine the potential supply of, and demand for, dwelling units that could be created by housing intensification;
- to review current policies, regulations, and controls as they relate to housing intensification.

1.3 OPTIONS FOR INTENSIFICATION

This report will examine three forms of housing intensification: conversion, infill, and redevelopment. Each form of intensification has been given the following working definition for this report:

- Conversion:** the process of increasing the number of individuals and households that can be accommodated in dwelling units with or without physical alteration to the building. For the purpose of this report conversion will also include the adaptation of non-residential buildings to residential use.
- Infill:** refers to the construction of new housing (small to medium scale) within existing residential areas on vacant or underused parcels of land in a form which is physically integrated into the surrounding neighbourhood.
- Redevelopment:** can be defined as the replacement of non-residential uses or lower density housing, with higher density residential or mixed uses. Construction of residential units on vacant or underused sites in non-residential areas is also considered redevelopment.

The following sections will examine the population and housing issues facing Hamilton in the next 20 years.

2.0 DEMOGRAPHIC TRENDS

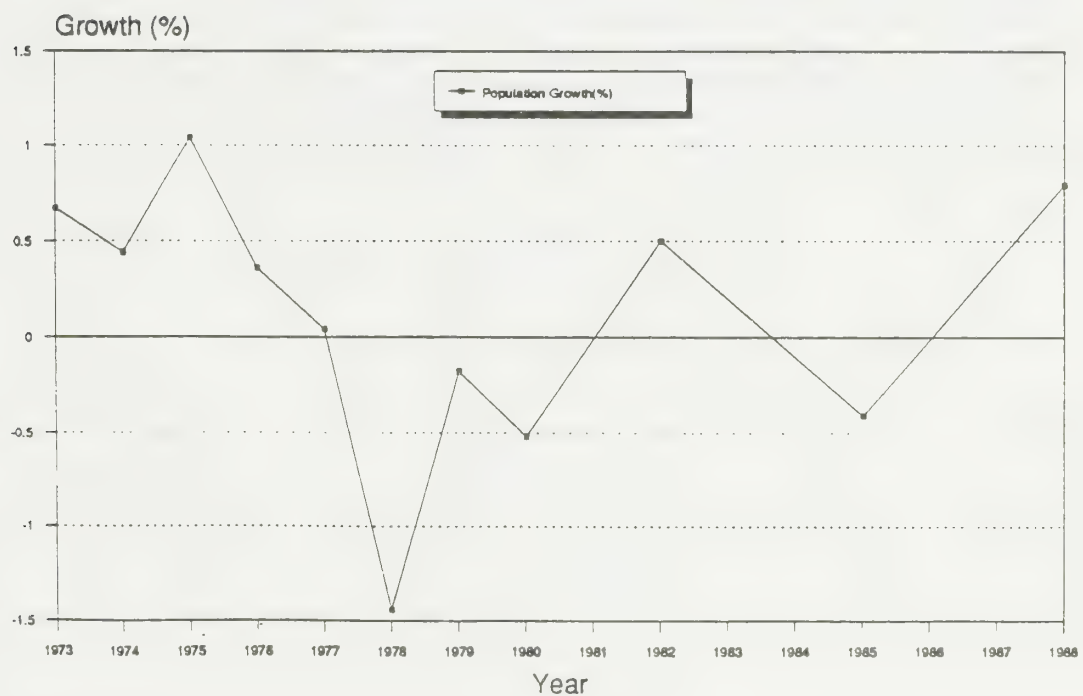
2.1 INTRODUCTION

To understand why housing intensification may be important, it is necessary to examine demographic trends in Hamilton. Population characteristics play an important role in the formation and distribution of households. It is important to determine how these key indicators have changed in the past, and how they are expected to change in the future.

2.2 DEMOGRAPHIC TRENDS WITHIN HAMILTON

The average population growth rate for Hamilton from 1973 to 1988 was 0.4 percent (figure 2.1).

Figure 2.1
Population Growth City of Hamilton 1973-1988



The City's population characteristics by age group and sex for 1982 and 1988 reveal the following (figure 2.2):

- overall, the preschool, elementary and secondary school age population has declined slightly. However, the 0 to 4 age group has increased by approximately 7 percent;
- The labour force age group (20 to 59) has remained virtually constant: 53.4% of the population in 1982, and 55.1% in 1988;
- The 65 and over age group has increased by approximately 7,000 or 18.7%;
- There is a general aging of the population. For example, the proportion of the population over the age of thirty increased from 52.8% of the population in 1982 to 57.1% in 1988.

2.3 HOUSEHOLD GROWTH AND HOUSEHOLD SIZE

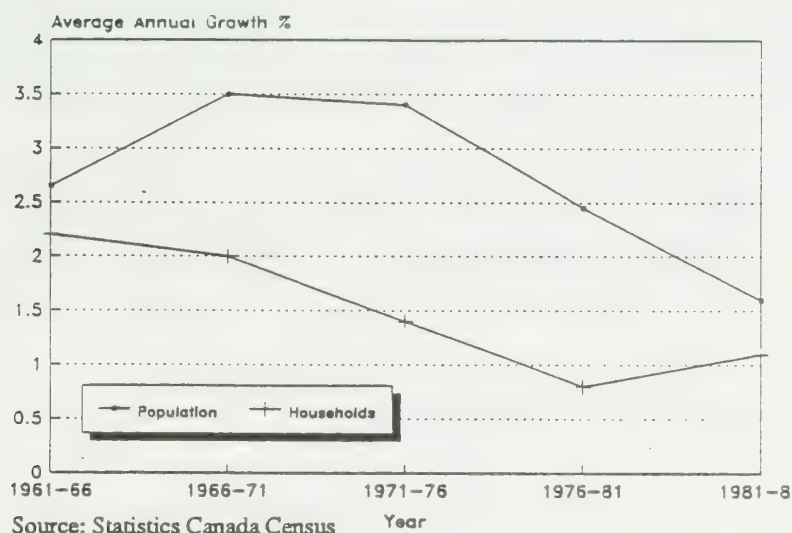
The number of households has been increasing more rapidly than the population in Hamilton. Between 1976 and 1981, total households in Hamilton have increased by 6.2 percent (figure 2.3), yet the population over the same period decreased by 1.8 percent. There were 117,915 households in Hamilton in 1986, 3.5 percent more than in 1981, while the population increased by only 0.1 percent. Household growth for the province as a whole slowed slightly during the 1981-1986 period, but still increased, driven by the baby boom increase in household formation (figure 2.4).

Figure 2.3
Population and Household Growth
Hamilton 1976-1986

	Households	Population
1976	107,230	312,300
1981	113,885	306,434
% change 1976-1981	6.2	-1.8
1986	117,915	306,728
% change 1981-1986	3.5	0.1

(Source: Statistics Canada Census 1976-1986)

Figure 2.4
Population Growth Rates and Household Growth Rates
Ontario 1961-1986



(Source: Statistics Canada Census)

The size of households is also changing. Census data shows that between 1971 and 1986, single person households have increased by 115.6 percent and two person households have increased by 38.4 percent (figure 2.5). Household size has been decreasing steadily for the past 25 years. This trend is continuing; in 1988 the average household size has decreased even further to 2.5 persons per household.

Figure 2.5
Private Households by Size 1971 - 1986

persons	1971	1976	1981	1986	%change
1	14,550	22,265	28,870	31,375	115.60
2	26,220	31,825	34,305	36,280	38.37
3	16,875	18,655	18,920	20,080	18.99
4-5	6,970	27,860	27,235	26,625	-1.28
5-9	9,675	6,505	4,475	3,500	-63.82
10+	350	120	80	55	-84.29
total	94,640	107,230	113,885	117,915	24.59

(Source: Statistics Canada Census 1971-1986)

2.4 POPULATION PROJECTIONS

Population projections completed in 1989 by the Regional Planning Department for the City of Hamilton project that population growth to 1991 will be approximately 0.3 percent, followed by a declining growth rate from 1991 to 2006 (from 0.2% per annum to -0.1% per annum). Part of this declining growth rate can be attributed to the continuing migration of Hamilton residents to other areas of the Region (figure 2.6). This "most

likely scenario" assumes that there is some employment growth in the City, some quality of life improvements, a good housing stock, and a decrease in the size of that portion of the population which is most mobile. The most likely scenario gives a population of 310,700 in 2006, up from 307,200 in 1988. A high-growth scenario, which assumes a dynamic local economy and large improvements in the local quality of life, gives a 2006 population of 315,000. A low-growth scenario, which assumes large out-migration due to a less healthy economy and a failure to improve the local infrastructure and quality of life, projects a 2006 population of 300,800.

Despite the small net growth in the population, household formation rates are expected to continue to increase by 8.4 percent by the year 2006. Household size will continue to decrease to an average of 2.37 persons per household by the year 2006. The net effect of the rapidly decreasing household size and the overall population increase foreseen is the projected creation of 10,200 new households by 2006 under the most likely scenario.

Figure 2.6
Projected Average Annual Growth Rates
Area Municipalities

	1988-1991	1991-1996	1996-2001	2001-2006
Ancaster	4.2	3.5	3.2	2.6
Dundas	0.6	0.4	0.4	0.2
Flamborough	2.1	1.7	1.8	1.8
Glanbrook	1.7	1.4	1.3	0.7
Hamilton	0.3	0.2	0.0	-0.1
Stoney Creek	2.6	2.2	1.8	1.5
Region	1.0	0.7	0.6	0.5

(Source: Region of Hamilton-Wentworth Planning and Development Department)

2.5 CONCLUSIONS

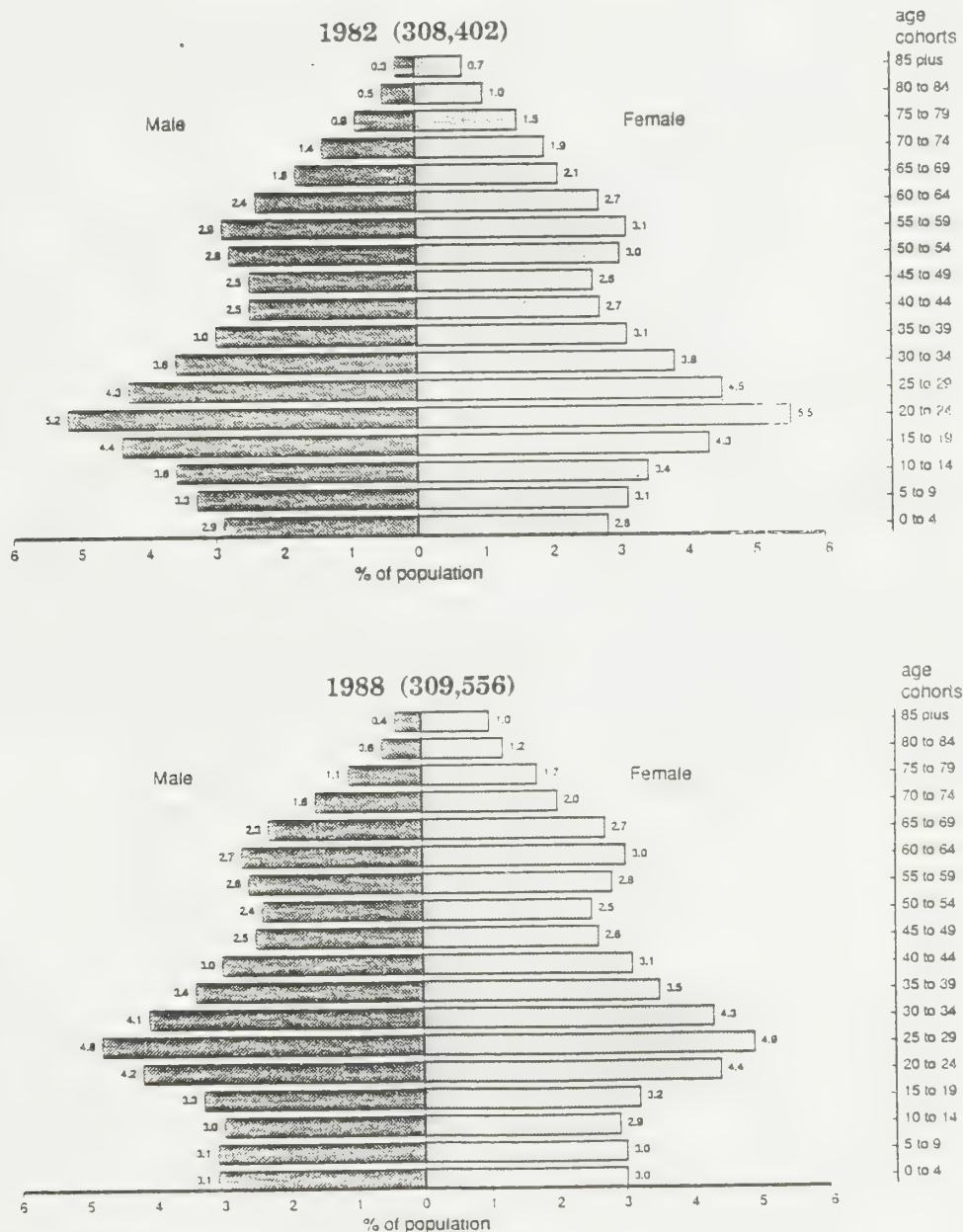
The increase in household growth coupled with the decreasing size of these households has a significant effect on the amount of housing that is required. Smaller households imply that there will be increased demand for units suitable for smaller households.

The following demographic changes and resultant effects must be addressed:

- Household sizes have decreased dramatically since the bulk of Hamilton's houses were constructed earlier in this century. The present household size expected to continue to decrease to 2.37 persons per household by the year 2006. As a result, houses are becoming more and more underused with square footage per person increasing.
- Households are expected to continue to grow, despite the predicted decrease in population growth. Hamilton population projections completed by the Regional Planning Branch in March of 1989, predict that there will be an additional 10,200 households by the year 2006. This would indicate that at least 10,200 additional dwelling units will be required - not taking into account the additional rental units needed to achieve and maintain a healthy rental market; nor does it take into account the need to replace units lost through demolition and conversion to non-residential uses.

- In addition, household make-up is changing, the number of single person and two person households having increased significantly; a trend expected to continue.
- Finally, there has been and will continue to be a general aging of the population, most notably for those persons aged 65 and over. Since this portion of the population has special requirements, there will be a need for both rental and ownership units within higher density buildings with social and recreational amenities or in retirement communities.

Figure 2.2
Population Distribution - City of Hamilton
(Actual)



3.0 HOUSING TRENDS

3.1 INTRODUCTION

To assess the present and future need for housing in Hamilton, the characteristics of the City's housing stock and trends over time must be examined. The existing housing inventory combined with Hamilton's present and future demographic situation will play a major role in determining if housing intensification is warranted.

3.2 HOUSING TRENDS WITHIN HAMILTON

3.2.1 Housing Stock

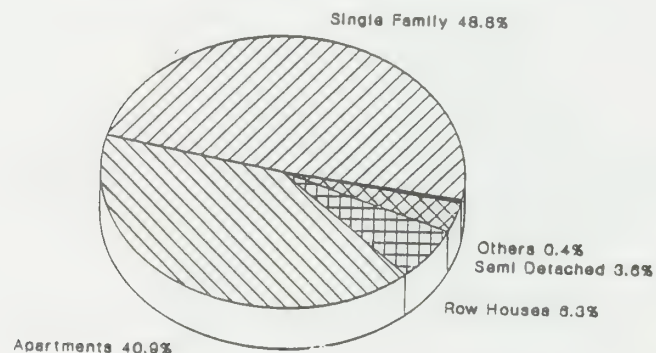
The supply of dwelling units in the City stood at 125,608 in 1986. This figure is comprised of the following:

- 48.4 percent single family;
- 41.4 percent apartments;
- 6.2 percent row housing;
- 3.6 percent semi-detached homes; and,
- 0.4 percent other (see figure 3.1).

In the last ten years, Hamilton's housing supply has increased 5.9 percent, from 118,601 dwelling units in 1977 to 125,608 dwelling units in 1986 (figure 3.2).

During this same ten year period, net building activity in Hamilton has increased dramatically, especially during the housing boom years of 1986 to 1989. In 1988, there were an additional 1808 dwelling units created, well above the average net building activity of 941 additional units per year since 1978. 1986 and 1987 saw an additional 1374 and 1161 dwelling units built respectively (figure 3.3). It should be kept in mind, however, that the increase in the building stock was accompanied by an increase in the number of households in Hamilton, as described in section 2.3.

Figure 3.1
Housing Stock By Type (Percent)



(Source: Hamilton-Wentworth Regional Assessment 1987)

FIGURE 3.2

HOUSING STOCK 1977 TO 1986

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
SINGLE FAMILY	58,391 (49.2%)	58,951 (48.4%)	57,314 (47.4%)	57,314 (47.6%)	57,499 (47.7%)	57,703 (47.8%)	58,190 (48.0%)	58,533 (47.9%)	59,092 (48.1%)	60,816 (48.4%)
APARTMENT	49,624 (41.8)	51,350 (42.4)	52,118 (43.2)	51,757 (42.9)	51,457 (42.7)	51,261 (42.5)	51,231 (42.2)	51,446 (42.1)	51,430 (41.9)	52,049 (41.4)
ROW HOUSING	5,972 (5.0)	6,249 (5.2)	6,511 (5.4)	6,514 (5.4)	6,545 (5.4)	6,850 (5.7)	7,056 (5.8)	7,215 (5.9)	7,454 (6.0)	7,815 (6.2)
SEMI DETACHED	4,097 (3.5)	4,280 (3.5)	4,400 (3.6)	4,409 (3.7)	4,435 (3.7)	4,476 (3.7)	4,467 (3.7)	4,474 (3.7)	4,475 (3.6)	4,486 (3.6)
OTHER	517 (0.5)	512 (0.4)	491 (0.4)	485 (0.4)	568 (0.5)	371 (0.3)	386 (0.3)	430 (0.4)	447 (0.4)	442 (0.4)
TOTAL	118,601	120,982	120,659	120,479	120,504	120,661	121,330	122,098	122,898	125,608

SOURCE: Hamilton-Wentworth
Land Use Assessment

Figure 3.3
Net Building Activity
Hamilton, 1978-1988

	Completions	Demolitions	Net
1978	1922	205	1717
1979	624	135	489
1980	367	35	332
1981	563	55	508
1982	633	86	547
1983	860	49	811
1984	912	35	877
1985	750	25	725
1986	1389	15	1374
1987	1178	17	1161
1988	1890	82	1808
Mean	1008	67	941

(Source: City Of Hamilton Building Department &
CMHC Ontario Housing Market Report)

While net building activity has increased, Hamilton has experienced a decline in the number of newly constructed rental units. In 1988, a mere 14.6 percent, or 172 of 1176 newly built dwelling units were rentals, a significant decline from the 61.8 percent rental construction rate in 1982, when 462 of the 748 dwelling units constructed were rental (figure 3.4).

Figure 3.4
Housing Starts By Tenure
Hamilton, 1982-1988

	Owned		Rented		Total	
1982	286	38.2%	462	61.8%	748	100%
1983	511	43.6	660	56.4	1171	100
1984	520	79.9	131	0.1	651	100
1985	654	64.9	354	35.1	1008	100
1986	1146	91.4	108	8.6	1254	100
1987	1293	68.2	603	31.8	1896	100
1988	1004	85.4	172	14.6	1176	100
Mean	773	68.5	356	31.5	1129	100

(Source: CMHC Quarterly Housing Reports)

Figure 3.4 shows that, for the period 1982 to 1988, new housing starts were comprised of an average of 68.5% owner-occupied units to 31.5% rental units. However, over the last decade the total housing stock has been comprised of approximately 52.5% owner-occupied units to 47.5% tenant-occupied units (figure 3.5). Therefore, new housing construction is not maintaining the established ratio of owner-occupied to tenant-occupied dwellings. This may suggest that a shortage of rental units is forthcoming. It may also signify a more affluent society, with larger numbers of people in the home ownership stage of their lifecycle.

Figure 3.5
Total Housing Stock by Tenure
Hamilton, 1978-1986

	Owner-Occupied		Tenant-Occupied		Total
1978	58,578	48.4%	62,404	51.6%	120,982
1979	58,929	48.8	61,730	51.2	120,659
1980	59,188	49.1	61,291	50.9	120,479
1981	63,168	52.5	57,336	47.5	120,504
1982	63,143	52.4	57,518	47.6	120,661
1983	63,703	52.5	57,627	47.5	121,330
1984	64,156	52.5	57,942	47.5	122,098
1985	64,552	52.5	58,346	47.5	122,898
1986	65,821	52.4	59,787	47.6	125,608

(Source: Hamilton-Wentworth Land Use Characteristics)

Not only has the number of newly built rental units declined, but the number of existing apartment rental units has remained virtually static since 1977 (Figure 3.6). In 1986, there were 618 fewer apartment rental units in Hamilton than there were in 1980. This loss, though contrary to the goal of the Ontario Rental Housing Protection Act (Appendix B), can be attributed in part to de-intensification, and in part to a failure for new construction to keep up with condominium conversion and the removal of obsolete dwellings from the housing stock.

Figure 3.6
Total Number of Apartment Rental Units
1977 - 1986

1977	-	30,743
1978	-	31,464
1979	-	32,710
1980	-	33,501
1981	-	32,620
1982	-	32,791
1983	-	32,899
1984	-	32,983
1985	-	33,042
1986	-	32,883

(Source: Hamilton-Wentworth Land Use Characteristics)

Figures 3.7, 3.8, and 3.9 describe the housing stock and tenure situation in 1986. Of the total number of owner-occupied dwellings, 82.5 per cent were Single-Family (Figure 3.7), while 76.4 per cent of the tenant-occupied dwellings were apartments (Figure 3.8) - a situation which has remained relatively stable over the past ten years. As figure 3.9 details, single family and apartment units accounted for 90 per cent of the occupied housing stock in 1986.

While the net building stock has increased consistently, with the exception of apartments, vacancy rates in the City have decreased. Since 1978, apartment vacancy rates have steadily decreased, dropping substantially in 1979 as illustrated in figure 3.10. In April of 1989, the vacancy rate for apartments with at least six units was 0.4 per cent for the City, a significant drop from the 1978 figure of 4.1 per cent.

Figure 3.10
Vacancy Rates for
Structures with Six or More Units

Year	Hamilton City		Mountain	
	April	Oct	April	Oct
1978	4.8	4.1	1.9	1.3
1979	3.1	2.0	0.6	0.9
1980	1.9	1.5	1.1	0.6
1981	1.3	0.9	0.6	0.2
1982	0.7	0.6	0.2	0.3
1983	1.5	0.8	0.8	0.3
1984	1.1	0.7	0.5	0.3
1985	0.5	0.6	0.2	0.2
1986	0.6	0.4	0.3	0.0
1987	0.3	0.4	0.2	0.0
1988	0.3	0.5	0.2	0.1
1989	0.4	-	0.1	-

(Source: CMHC Rental Market Survey)

Figure 3.7
Owner Occupied Dwellings

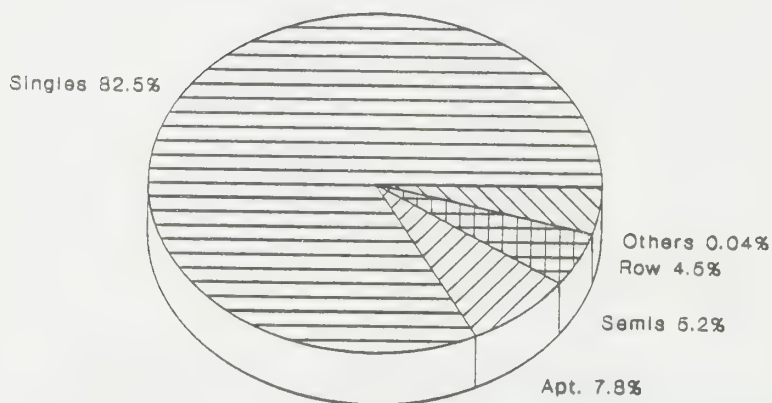


Figure 3.8
Tenant Occupied Dwellings

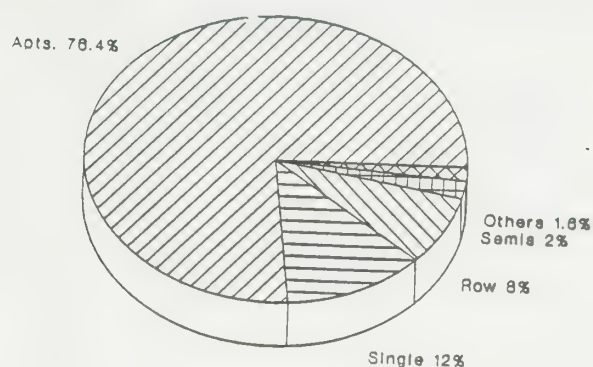
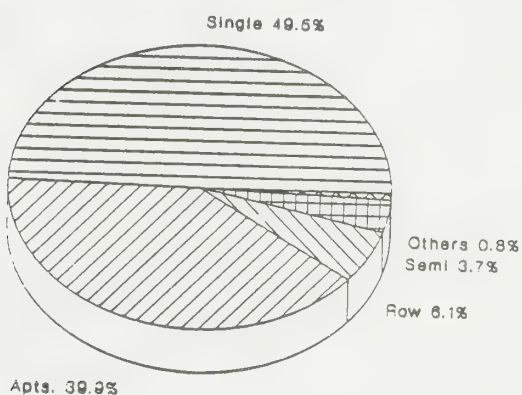


Figure 3.9
Total Occupied Dwellings



Source: Hamilton-Wentworth Regional Assessment 1987

In April of 1989, the highest apartment unit vacancy rate in the City was achieved in the Central zone (Zone 4) at an average of 1.6 per cent (see figure 3.11). The lowest rates were in the East End, West End, and Mountain zones (Zones 3, 5, and 6) at 0.1 percent, which is equivalent to one vacant unit for every thousand rental units.

3.2.2 Market Trends

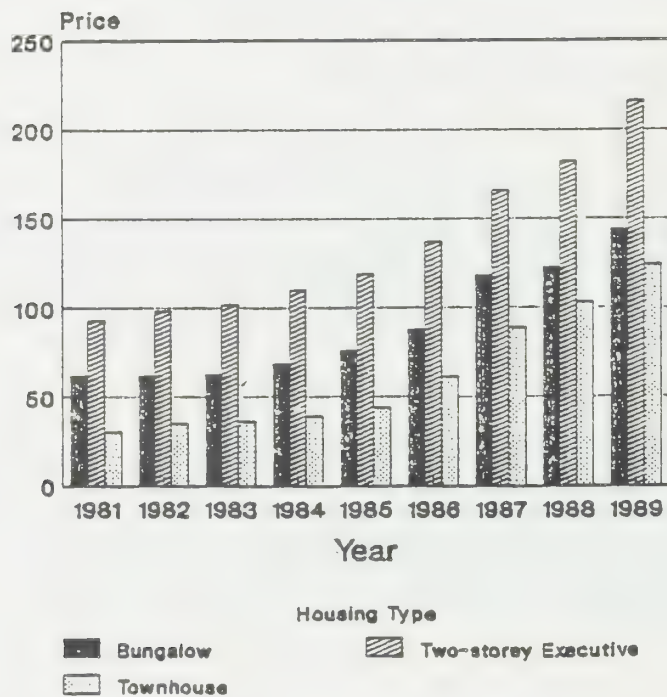
The City of Hamilton's housing market has recently undergone a period of price inflation after relatively stable market conditions in the early part of the decade. As of July 1989, standard detached Bungalow (single storey, three-bedroom, 1 1/2 baths, 1-car garage, full basement, 111 square metre dwelling, and a 511 square metre serviced lot) sold for an average price of \$144,000: up 17.5 percent (\$21,400) from July 1988. Figure 3.12 illustrates the increase in the price of housing from July 1981 to July 1989.

Figure 3.11
Apartment Unit Vacancy Rates
By CMHC Zones
(For Structures with Six or more Units)

	APRIL						
	1983	1984	1985	1986	1987	1988	1989
Downtown (Zone 1)	2.0%	1.4%	0.5%	0.8%	0.3%	0.1%	0.5%
Central East (Zone 2)	1.3	1.5	1.0	0.7	0.4	0.6	0.7
East End (Zone 3)	1.4	1.1	0.7	0.8	0.2	0.6	0.1
Central (Zone 4)	1.9	2.0	0.5	0.4	1.3	0.8	1.6
West End (Zone 5)	1.2	0.2	0.2	0.1	0.1	0.5	0.1
Mountain (Zone 6)	0.8	0.5	0.2	0.3	0.2	0.2	0.1
Hamilton (Total)	1.5	1.1	0.5	0.6	0.3	0.3	0.4

(Source: CMHC Rental Market Survey)

Figure 3.12
Housing Price Survey
(Dollars in Thousands)



(Source: Royal LePage Survey of Canadian House Prices)

As figure 3.12 details, housing prices increased sharply in the boom years of 1986 and 1987; a result of the large number of first-time homebuyers entering the market. However, early indications suggest that the housing market is slowly returning to normal, as indicated by the 1988 and 1989 housing costs.

While the cost of housing has steadily increased, so too have average rents for private apartments in Hamilton. Figure 3.13 illustrates increases ranging from 55 percent to 65 percent in average rents from 1981 to 1988.

Figure 3.13
Average Rents for Private Apartments

Year	Bachelor	1 Bdrm	2 Bdrm	3 Bdrm
October 1981	\$ 190	\$ 241	\$ 289	\$ 358
October 1982	203	262	312	382
October 1983	212	267	321	401
October 1984	240	304	358	409
October 1985	245	313	379	466
October 1986	260	327	395	475
October 1987	289	347	416	507
October 1988	314	374	449	561

(Source: CMHC Rental Market Survey)

Unfortunately, while housing and rental costs have steadily increased, they have not generally been accompanied by the same increases in average household income. As a result, as housing costs increase, fewer households are able to afford the payments required without spending more than thirty percent of their monthly household income on household expenditure (the maximum household expenditure required in order to conform to the Ministry of Housing's affordability definition). Figure 3.14 shows the minimum annual incomes required to afford the average rent in Hamilton, based on the thirty percent of income guideline, and the percentage of households that could afford this rent from 1985 to 1988. The table was calculated using 1985 income from the 1986 census as a base and applying yearly rates of inflation from the Consumer Price Index.

3.3 NEED FOR AFFORDABLE HOUSING

As discussed in the preceding section, fewer people are able to meet the rising costs of housing, and even fewer people are able to actually purchase a house. As a result there has been an increase in the demand for affordable housing (note the dramatic decrease in apartment vacancy rates [fig 3.10]). Though there are no reliable Hamilton specific figures on the actual demand for affordable housing, 1986 Census data shows that 7,325 households paid at least thirty percent of their income on rent, and that an additional 4,930 households paid thirty percent or more of their income on the "major payments" associated with home ownership. Those that do spend more than thirty percent of their income on housing are classified by the Ministry's Housing Statement as in need of affordable housing. In March of 1988, an assisted housing survey undertaken by the Planning and Development Department for the Municipal Housing Statement Update, estimated that at least 5,041 rental households were in need of affordable housing.

In Hamilton, there has been an increase in the demand for assisted housing which may indicate that more people are finding it difficult to meet rising rent costs. Figure 3.15, the yearly average number of people on the Hamilton-Wentworth Housing Association's affordable housing waiting list, exemplifies this increase in demand.*

Figure 3.14
Rental Accommodation Affordability

UNIT TYPE	MEAN RENT/MONTH (\$)				ANNUAL INCOME REQUIRED (\$)			
					(if rent is 30% of income)			
YEAR	1985	1986	1987	1988	1985	1986	1987	1988
Bachelor	245	260	289	314	9,800	10,340	11,560	12,560
1 bdrm.	313	327	347	374	12,520	13,080	13,880	14,960
2 bdrm.	379	395	416	449	15,160	15,800	16,640	17,960
3 bdrm.	466	475	507	561	18,640	19,000	20,280	22,440

HOUSEHOLDS WITH INCOME GREATER
THAN THE REQUIRED INCOME (%)

YEAR	1985	1986	1987	1988
Bachelor	83.5	83.2	81.7	80.8
1 bdrm.	77.9	77.8	77.3	76.4
2 bdrm.	72.5	72.4	72.2	71.1
3 bdrm.	65.7	66.4	65.6	63.3

* The large increase in the number of handicapped persons on the waiting list for 1987 is due to a change in policy that enabled mentally and developmentally handicapped persons to apply for assisted housing. The situation returned to normal in 1988, when new guidelines were established.

Figure 3.15
H.W.H.A. Waiting List
Yearly Average
City of Hamilton

Year	Family		Senior		Handicapped		Total	
	#	%	#	%	#	%	#	%
1983	735	82.2	58	6.5	101	11.3	894	100
1984	643	81.3	57	7.2	91	11.5	791	100
1985	588	74.3	99	12.0	104	13.2	791	100
1986	554	68.7	148	18.3	105	13.0	807	100
1987	708	53.4	218	16.4	400	30.2	1326	100
1988	807	69.6	244	21.1	108	9.3	1159	100

(Source: Hamilton-Wentworth Housing Authority)

According to the Province's Draft Housing Policy Statement, when municipalities calculate affordable home prices or affordable rents, they must use the 30th percentile and 60th percentile incomes for their municipality. Percentiles represent the range of incomes in each municipality divided into units of one hundred. Thus, for example, the 60th percentile income is the income at sixty percent of the range between the lowest and highest incomes in the municipality. One half of the required 25 percent affordable housing units must be affordable to those with incomes up to the 30th percentile, and the other half must be affordable to those with incomes between the 30th and 60th percentiles, according to the draft guidelines. The draft Implementation Guidelines for the Policy Statement include "interim affordability calculations" for 1988, which give affordable house prices and affordable rents. In Hamilton, at the 30th percentile an affordable house price was \$76,500 and an affordable rent was \$670 per month (figure 3.16a). Referring back to figures 3.12 and 3.13, one can see that, for 1988, none of the average house prices were affordable at the 30th percentile level, but all of the average rents were.

At the 60th percentile, an affordable house price was \$133,500 and an affordable rent was \$1,170 (figure 3.16b). Again referring to figures 3.12 and 3.13, affordable detached bungalows and affordable townhouse units could have been purchased in Hamilton. The average rents for the City were all affordable to the 60th percentile income level.

Figure 3.16a
Interim Affordability Calculations 1988
30th Percentile Level

Region	Income at 30th Percentile	Affordable House Price	Affordable Monthly Rent
Toronto	\$26,500	\$75,500	\$660
Oshawa	\$31,300	\$89,500	\$780
Kitchener	\$24,400	\$69,500	\$610
Hamilton	\$26,800	\$76,500	\$670
London	\$22,400	\$64,000	\$560
Windsor	\$19,700	\$56,000	\$490
Ottawa	\$29,500	\$84,000	\$730
Sudbury	\$26,800	\$76,500	\$670
Thunder Bay	\$26,700	\$76,000	\$660

(Source: Provincial Housing Policy Statement Draft Implementation Guidelines)

Figure 3.16b
Interim Affordability Calculations 1988
60th Percentile Level

Region	Income at 60th Percentile	Affordable House Price	Affordable Monthly Rent
Toronto	\$47,500	\$135,500	\$1,180
Oshawa	\$49,600	\$141,500	\$1,240
Kitchener	\$43,600	\$124,500	\$1,090
Hamilton	\$46,800	\$133,500	\$1,170
London	\$40,400	\$115,500	\$1,010
Windsor	\$43,100	\$123,000	\$1,070
Ottawa	\$52,800	\$151,000	\$1,320
Sudbury	\$44,100	\$126,000	\$1,100
Thunder Bay	\$48,400	\$138,000	\$1,210

(Source: Provincial Housing Policy Statement Draft Implementation Guidelines)

3.4 CONCLUSIONS

Hamilton's housing costs are generally less expensive than those of other municipalities in the Greater Toronto area. This has resulted in increased demand for housing in Hamilton, which in turn, has increased local housing costs significantly. However, housing costs still remain lower in Hamilton.

Very few rental units - which represents the majority of Hamilton's affordable housing - are being constructed. As a result, there is a great demand for the existing rental units; as it is evident from the near non-existent vacancy rate noted earlier, and the increase in the number of persons on the Hamilton-Wentworth Housing Authority waiting list.

It appears that Hamilton's traditional split between owner-occupied and tenant-occupied dwellings (53% to 47%) will not be maintained into the future if present construction trends continue.

The data suggest that a greater shortage of rental housing may be forthcoming.

4.0 CONVERSION

4.1 BACKGROUND

Conversion can be defined as the process of increasing the number of individuals and households that can be accommodated in dwelling units with or without physical alterations to the building itself. Conversion can also include the adaptation of non-residential buildings to residential uses.

Conversion of existing residential structures typically takes the following forms;

- changing a dwelling from a single household use with little or no physical alteration to accommodate a number of unrelated individuals or households;
- physically altering a single household dwelling by creating one or more self-contained units;
- building an addition, either vertically or horizontally, to a single household dwelling to increase the number of dwelling units that the building can accommodate.

Conversion can be considered to be the simplest method of intensification and may hold the greatest potential for increasing the stock and type of rental accommodation that is available in Hamilton. However, it is also the most objectionable by residents. The potential for conversion must be examined in light of;

- the difficulty experienced by first-time homebuyers in finding affordable houses;
- low vacancy rates for rental accommodation;
- the increased awareness and commitment by all levels of government to the housing affordability issue;
- the changing demographic trends;
- the effect on neighbourhood quality of life;
- the fears of residents.

4.2 POTENTIAL FOR CONVERSION

A Provincial study on intensification determined that approximately 12 percent of households would consider either renting a room or converting (Klein and Sears et al., 1983). This figure was obtained through a survey of homeowners in Toronto, North York and Kingston. Based on this 12 percent measure, the theoretical potential for conversion can be calculated.

There are approximately 72,000 grade-related dwellings in Hamilton (figure 4.1). Based on the above 12 percent (or one in eight) figure, a theoretical 9,000 extra units could be created. Some of the 72,000 grade-related dwellings may have already been converted.

Figure 4.1
Grade-Related Housing Stock

	Owned		Rented	
Single	53,426	88.7%	6,833	11.3%
Semi	3,333	74.3%	1,153	25.7%
Row	2,893	38.7%	4,575	61.3%

(Source: Hamilton-Wentworth Assessment Land Use Characteristics)

Another way to identify the potential supply of converted dwellings is to examine the amount of underutilized space in the existing owner-occupied grade-related dwelling stock. This method of calculating potential supply involves two assumptions. First, it assumes that the greatest potential for conversion is in owner-occupied grade-related singles, semis, and rowhouses. The second assumption is that the minimum unit size for a bachelor apartment is approximately 250 square feet, according to the Ontario Building Code (Section 9.5). Refer to Appendix C for a detailed breakdown of the minimum unit size requirements under the Ontario Building Code. It is important to note that the Building Code does not give a minimum unit size. The minimum unit sizes given in Appendix C are the result of adding the minimum room sizes given in the Building Code. It should be kept in mind, however, that the only room the Building Code requires is a bathroom.

A 1981 study conducted for the Ministry of Housing by Clayton Research Associates determined the percentage of owner-occupied grade-related homes in several cities, including Hamilton, based on 250 square foot intervals (figure 4.2). Assuming a minimum unit size of 250 square feet, it seems reasonable to assume that any dwelling with a gross floor area per person of greater than 500 square feet has the potential to accommodate another person. By this method, 37.2 percent, or 22,191 of the 59,652 owner-occupied grade-related dwellings could accommodate another person. More conservatively, assuming 750 square feet per person, approximately 14.2 percent of the 59,652 owner-occupied homes in Hamilton have a gross floor area per person of 750 sq. ft. or better; giving the potential for the creation of 8,470 extra units.

Figure 4.2
Utilization of Owner-Occupied Grade-Related Stock
Case Study Areas, 1981 (in percent)

Study Area	Gross Floor Area Per Person (square feet)							Median
	<249	250-499	500-749	750-999	1000-1499	1500-1999	>2000	
Toronto	11.0	38.2	24.8	9.4	12.0	3.1	1.4	508
North York	10.4	49.9	25.1	7.5	5.5	1.1	0.6	449
Hamilton	16.7	47.6	21.5	7.5	6.6	1.2	0.4	425
Ottawa	7.8	43.0	29.4	8.4	9.0	1.8	0.6	494
Kingston	11.3	42.3	25.6	8.7	9.3	2.0	0.8	479
Woodstock	15.5	47.1	21.4	7.9	6.5	1.2	0.4	433
All Areas	11.7	45.0	24.8	7.9	8.1	1.8	0.8	463

(Source: Clayton Research Associates, 1981)

There are three limitations to this method of estimating conversion potential: it includes large homes whose occupants may be less likely to convert, and it assumes that all newly created units will be at or above grade. This excludes the potential for conversion via the creation of basement apartments. Finally, it assumes that a minimum bachelor unit size of 250 square feet would be permitted in Hamilton. Presently, the minimum unit size under the Zoning By-Law for any unit created by conversion is 700 square feet in most residential zoning districts.

4.3 FACTORS AFFECTING CONVERSION

As already established, approximately twelve percent of homeowners are interested in conversions, and the existing housing stock has the physical potential to accommodate these conversions. Nevertheless, it appears that many illegal conversions are taking place. Some of the reasons for this are:

- homeowners may not fully understand the process that must be followed in order to gain approval for a conversion;
- homeowners may not wish to build to the standard demanded by the Ontario Building Code;
- homeowners may not want to be levied for taxes on the income generating unit;
- It is feared that relaxed regulations might lead to wholesale conversions, a decrease in property values, and a negative impact on the character of the neighbourhood. These concerns are discussed more fully in Section 4.3.2.
- residents are less likely to convert because of concerns over the cost of this type of venture.

However, it must be noted that not all homeowners are interested in converting. Many people still desire the privacy associated with single family neighbourhoods and wish the character of these neighbourhoods to remain intact.

Some of the above noted problems may be solved by the government (i.e. through public education about the approval process, or through the streamlining of procedures). Others are highly emotional and will require a greater degree of work to calm the fears and apprehensions of residents. These issues will be dealt with in the following section.

4.3.1 Municipal Regulations

While the City of Hamilton's Official Plan does not specifically encourage or discourage intensification of any form, several sections of the Plan give support to this concept:

- Subsection A.2.1 (Residential Uses) states that it is the intent of the Official Plan to "ensure that the Residential Uses of land is sufficient to accommodate anticipated population growth and changing demands for Residential development for varied styles and densities..."
- Subsection 2.1.8 states that it is the intent of Council that a "variety of housing styles, types and densities be available in all Residential areas of the City..."
- Subsection C.7.7.5v states that "Council will annually monitor the supply and production of new housing, update housing targets, revise priorities and/or identify Policy changes in order to achieve the housing targets."

These sections of the Official Plan give only general support to intensification. Most of the regulations on intensification come from the Zoning By-Law (see Appendix E for Zoning Impediments).

Section 19 of the Zoning By-Law allows residential conversions to those dwellings erected prior to July 25, 1940. In the "H" zone (Community Shopping and Commercial), conversions are permitted for buildings constructed prior to March 8, 1983 provided that a minimum radial distance separation of 180 metres is maintained between conversions. As a result of the age restrictions many homeowners are excluded from converting their dwellings. Consequently, many homeowners who wish to convert cannot legally do so without an amendment to the Zoning By-Law or approval from the Committee of Adjustment. Many conversions take place illegally due to the ignorance of the Zoning By-Law on the part of certain homeowners.

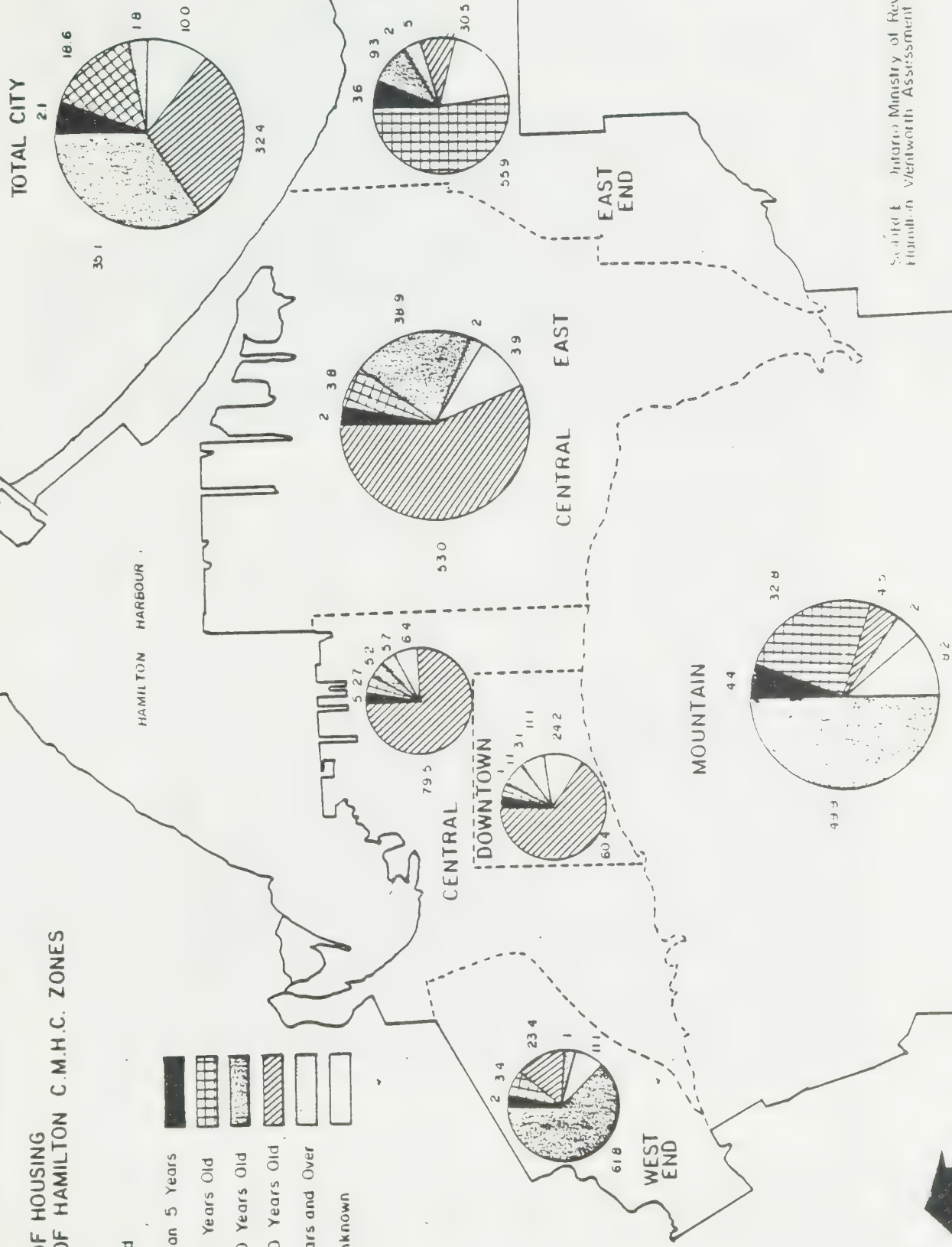
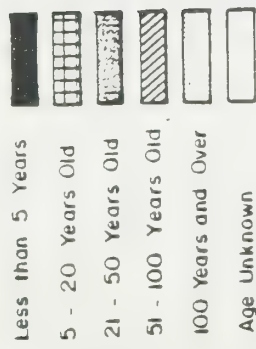
To show the effect of the age restrictions, one can examine the age of the existing building stock. Figure 4.3 shows the age of the building stock in 1981. In order for a home to have been built prior to 1940, it must have been at least 41 years old in 1981. The data shows that approximately 45 percent of the housing stock would be eligible to convert under the age requirement, and 55 percent would be ineligible. Therefore, while a significant number of homes are eligible to convert, the majority of homes are not. Of course, over time the ratio of eligible to non-eligible homes will decrease, as homes erected prior to 1940 are demolished because of poor condition.

Those dwellings that are not excluded from conversion by the age requirement also face restrictions under Section 19, which may limit the ability of homeowners to convert. Some of these restrictions are as follows;

- The cubic content of dwellings located in residential districts "in which no dwellings are permitted except single family dwellings" cannot be increased in order to facilitate a secondary unit.
- Any new self-contained unit within a converted dwelling must have a minimum size of 700 square feet (65 sq.m.). The "H" (Community Shopping and Commercial) allows converted units to have an average size of 700 square feet.
- Parking requirements based on the use and the number of dwelling units must be met.
- Any additions must conform with front, side, and rear yard requirements for the zone in which the building is located.
- The external appearance and character of the dwelling must be preserved.

AGE OF HOUSING CITY OF HAMILTON C.M.H.C. ZONES 1981

Legend



Source: Ontario Ministry of Revenue
Hamilton Wentworth Assessment 1981



Figure 4.3

4.3.2 Neighbourhood Impacts and Resistance

The concerns of neighbourhood residents, with respect to intensification, must be understood and addressed. This section will examine those concerns that accompany any discussion of housing intensification.

Despite the fact that housing intensification may be one avenue for addressing the issue of affordable housing, without the acceptance of the community at large, implementation would be difficult.

A literature review revealed several key concerns regarding housing intensification (Appendix F). The following outlines these concerns and presents some possible options for overcoming these problems.

A. Property Maintenance

One of the concerns most often mentioned is property maintenance. Residents are concerned that neighbouring properties that have been proposed for intensification will deteriorate due to tenant neglect and absentee landlords, and in turn, reduce the property value of their homes. However, studies have shown that tenants will move to a certain neighbourhood because they value the environment found within it (Lewinberg Consultants, 1984). As well, the majority of landlords are actually resident landlords. A survey conducted in Toronto found that 76% of converted dwellings have the owner living in one of the units (Marshall Macklin Monaghan, 1985).

Figure 4.4 shows several examples of homes, some of which contain a converted unit. It is difficult to tell the converted dwellings from the non-converted dwellings. This suggests that property maintenance can be much the same as it is for non-converted homes. Maintenance varies from one property to another whether it is a converted home or not. In any event, the maintenance of properties is regulated by the Property Standards By-Law.

B. Physical Changes

Residents are worried that intensification will bring about changes to buildings which are not in keeping with the existing character of the neighbourhood. One major concern is that fire escapes will be put on the front of buildings, significantly detracting from the visual appeal of a neighbourhood.

While it is recognized that some alterations have been poorly done, fire escapes and additions need not be visually obtrusive. As figure 4.5 shows, additions and fire escapes can be built in a way that does not damage the existing character of the streetscape. In Hamilton, fire escapes are permitted on the front of a building only by order of the Fire Department and only if they are unenclosed. Hamilton's Zoning By-Law controls external physical changes to a building by prohibiting the construction of an addition on dwellings for the purpose of creating additional dwelling units "in a residential district in which no dwellings except single-family dwellings are permitted". The Zoning By-Law also requires the external appearance and character of the building be preserved, thus prohibiting major exterior alterations for the purposes of conversions.



Figures 4.4 Some of the houses pictured here have a converted unit. It is difficult to distinguish the converted dwellings from the non-converted dwellings.

C. Social Class

Concerns are put forward about the type of tenants who will rent converted dwellings. Residents fear that new tenants will not share the same values and that a breakdown in the neighbourhood social structure will occur. This fear may be the most difficult to allay.

Often those who move into a neighbourhood as renters, do so because they desire the type of atmosphere found there. Many of these people hope to one day own their own home and are renting for the purpose of saving sufficient funds to make this transition (Lewinberg Consultants Ltd., 1987).

The market may also act to control the type of renter who moves into a neighbourhood. Conversions, for the most part, will attract renters who are typical of the residents of the neighbourhood. For instance, desirable neighbourhoods of the City may attract renters with higher incomes who share similar characteristics with the existing residents. Of course, similar situations may occur in inner city areas or predominantly working-class neighbourhoods where those with lower incomes may seek accommodation. Tenants may also seek to reside in neighbourhoods where they feel comfortable and socially at ease (Lewinberg Consultants Ltd., 1987).

It should also be noted that other factors play a role in determining where a person would choose to rent, such as proximity to work or school. For example, neighbourhoods in close proximity to colleges and universities may be sought out by students seeking inexpensive accommodations close to the institution. This may lead to some disruption in the existing social fabric and resident composition of the neighbourhood. Similar circumstances may develop where individuals seek to live close to their place of employment (i.e. the downtown core).



Figure 4.5 Minor alterations to converted dwellings need not be visually obtrusive and may not detract from the character of the streetscape.

D. Property Values

Residents are concerned that intensification may lower the value of neighbourhood properties by making them unattractive to future purchasers. However, one intensification study pointed out that conversions should be viewed as a "process of renewal and re-investment in property" (Lewinberg Consultants Ltd., 1987). It must be noted here, that no empirical studies have been undertaken to accurately support or dispute this claim. The Lewinberg study concluded that "it is probable that conversion will add to property values rather than result in a decrease" (Lewinberg Consultants Ltd., 1987). Figure 4.6 shows several converted dwellings that blend in well with the surrounding neighbourhood.

E. Privacy and Overcrowding

Neighbourhood residents worry that intensification will cause overcrowding and loss of privacy. Surveys have shown that only about 12 percent of homeowners would convert their dwelling. This figure would not likely result in a drastic overcrowding of the neighbourhood. Conversion to this extent would not occur in each and every neighbourhood, although there is a potential for clustering that must be considered. This scenario has occurred in certain neighbourhoods, i.e. in west end and inner-city neighbourhoods, where the overall character of the area may have been slightly altered. The Lewinberg Consultants study, nevertheless, concluded that most conversions blend into a neighbourhood with little problem. Another study concluded that "for the most part, housing conversions are well camouflaged" (Marshall Macklin Monaghan Ltd., 1987).

F. Parking

The issue of parking is perhaps one of the most serious concerns that must be addressed. Obviously, neighbourhoods that are already experiencing parking problems may not be suitable for intensification. Tandem or stacked parking, where one car parks behind the other, is not allowed in Hamilton, although the arrangement is commonly used by families with more than one car or where several people share a home. This type of arrangement may present difficulties where the situation consists of more than one separate unit.

Front yard parking is also discouraged in Hamilton. Residents have outlined concerns that all or portions of front yards will be paved over leading to a loss of green space and amenity within the neighbourhood. In situations where front yard parking is the only means of providing on-site parking, careful attention to aesthetics can result in acceptable implementation of this option. Examples of homes who have attempted to achieve a blend of landscaping and front-yard parking, are shown in figure 4.6.

4.4 CONVERSION OF NON-RESIDENTIAL BUILDINGS

The conversion of non-residential buildings to residential uses has not been widespread in Hamilton. This type of intensification may offer some scope for increasing the housing stock in the city. In other cities, conversion of non-residential buildings to residential uses has met with some success (Figure 4.7).



Figures 4.6 As illustrated, front yards need not be paved over entirely to accommodate parking. In fact, front yard parking can be sensitively landscaped.



Figure 4.7 A former warehouse building that has been successfully converted into a number of residential units.

Hamilton has a significant number of underutilized commercial and light industrial buildings that may be candidates for conversion, especially in the Central Area (figure 4.8). However, it is difficult to determine the actual potential for this type of conversion from existing data. Figure 4.9 highlights an example of a conversion project; in this case a former warehouse that is being converted into condominiums. The Central Area Plan, in Subsection 4.1.8, encourages the "conversion of non-residential buildings to residential uses ... particularly where commercial space is underutilized."

The suitability of converting these buildings must also be considered. For example, the potential for displaced employment as a result of residential land use outbidding industrial or commercial land use for space may need to be evaluated. However, given the current economic situation in Hamilton, this is not likely to happen.



Figure 4.8 Pictured here is a former warehouse at the corner of Cannon and Bay Streets being converted into condominium apartments.



Figure 4.9 The vacant or underutilized portions of commercial buildings such as this one can be converted to apartments.

4.5 CONCLUSIONS

Conversion may be considered to be the simplest method of intensification and may offer a large potential for increasing the amount and variety of accommodation that is available. However, it also faces the greatest amount of opposition from neighbourhood residents.

Approximately twelve percent of homeowners would be willing to convert.

It is estimated that 8,000 to 9,000 extra units could be created through conversion.

In residential areas, large numbers of conversions are taking place illegally.

The Official Plan gives only general support to the concept of conversion.

The City's Zoning By-Law may limit the potential for conversion.

Neighbourhood residents share many concerns regarding conversion and the potential negative results it may produce. These concerns must be overcome in order for conversion to be successful.

A large potential for the conversion of non-residential buildings into usable residential space exists, but there are some concerns regarding economic feasibility and future employment potential.

The Central Area Plan encourages the conversion of non-residential buildings to residential uses.

5.0 INFILL

5.1 BACKGROUND

Infill is a form of intensification. Infill refers to the construction of new small to medium scale housing within existing residential areas on vacant or underutilized parcels of land, in a form that is physically integrated into the surrounding neighbourhood.

There are several types of infill that may be applicable to the Hamilton situation:

- Building on vacant parcels of land that suffer from either a lack of access to public services, physical or environmental limitations, or simply were generally unattractive to the market during the initial development phase (Real Estate Research Corporation, 1982);
- Building a second or third separate dwelling, such as a granny flat, on a lot which already has one dwelling unit in place;
- Building several separate dwelling units on a lot which already has a multiple family dwelling in place; and,
- Adding to or replacing existing ground related buildings with residential structures in a manner compatible with the surrounding development.

5.2 POTENTIAL FOR INFILL

Within the City of Hamilton, there is potential for infill development. The number of additional units that could be created may not be large in any single case, the overall contribution could be significant.

Opportunities for new residential development on vacant parcels of land are available within Hamilton. Many of these lots are found outside of the Central Area and may therefore lack some of the services and amenities of the downtown.

The actual number of lots that would be developed through infill is unknown. The local economic climate plays a large role in determining when and where development will occur, as do permitted zoning densities. Also, strong demand for new residential development must exist before new projects will be initiated and the location must be a desirable one.

A second form of infill involves building a second or third separate dwelling on a lot. Infill of this type usually requires the severance of a larger lot into two or more lots. Figure 5.1 illustrates front-to-back and key lot severances. The severed lots must meet all of the requirements of the Zoning By-Law. Neighbourhoods which characteristically have larger lots could potentially accommodate additional lots through severance. Appropriate types of housing for this situation include single family, two-family and row type housing. A granny flat (a temporary dwelling that can be placed on the property of an adult child to be occupied by an elderly parent or relative and that can be removed from the lot when it is no longer required [Town of Oakville, 1987]) is an example of this type of infill. A granny flat would not require a severance.

Figure 5.1
Back Lot And Key Lot Infill

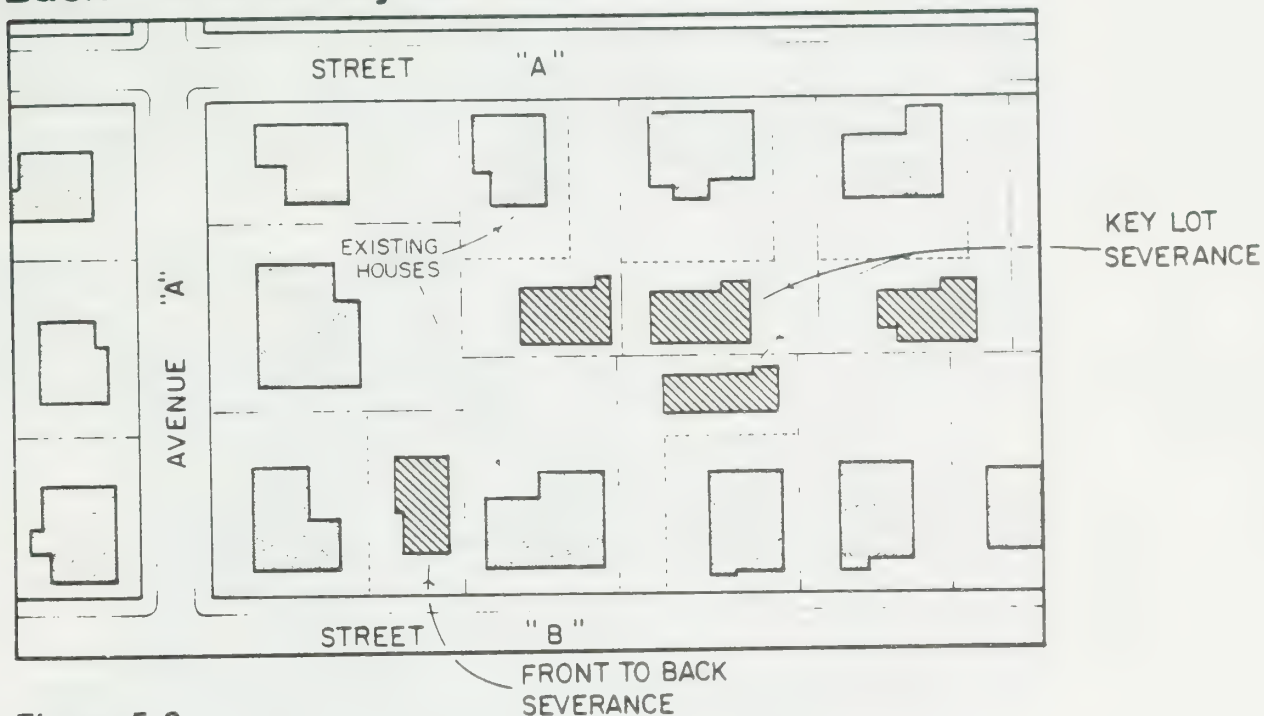
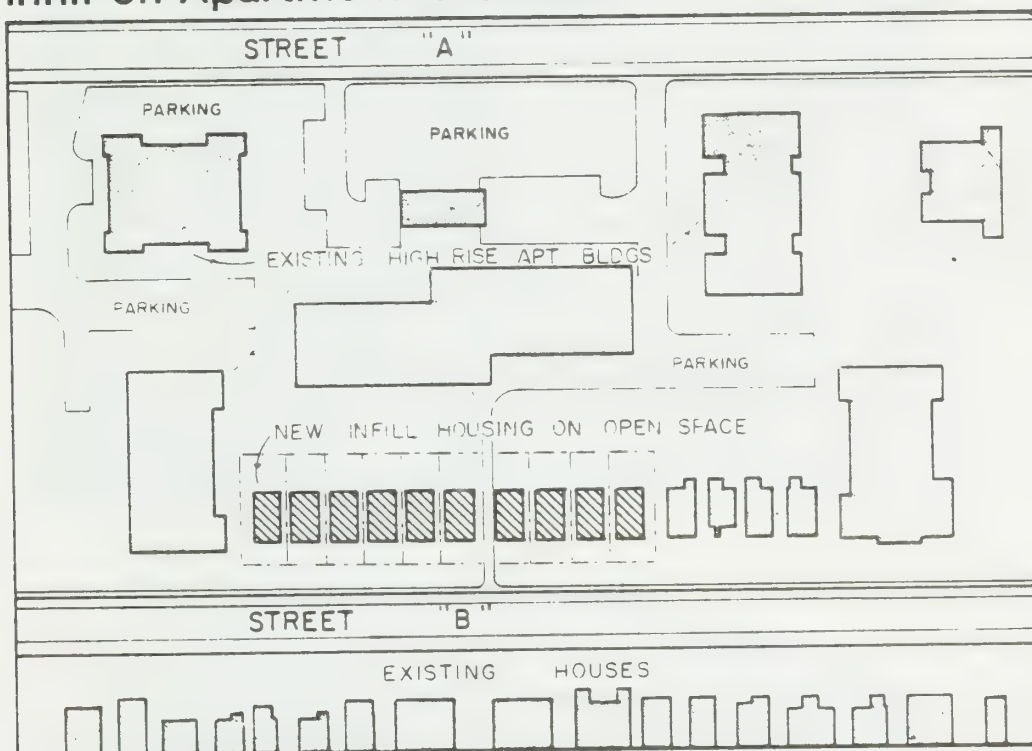
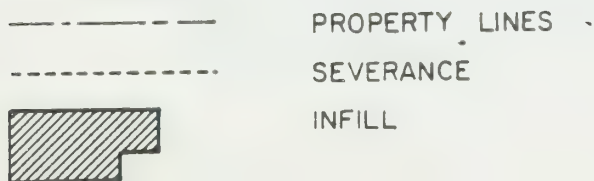


Figure 5.2
Infill on Apartment Grounds



LEGEND



The third type of infill involves building separate dwelling units on a lot which already has a multiple family development in place. Figure 5.2 illustrates this form of infill. Many highrise apartment complexes constructed during the 60's and 70's, particularly in neighbourhoods outside the older central parts of the city, were built on the "tower in the park" principle with landscaped open space surrounding the complex. A portion of these sites may offer some potential for infill (see figure 5.3). Low to medium density residential development may be appropriate for these sites. While development of this type may be more acceptable to some residents than other forms of intensification, others may view it as an overintensification of the site.

A further potential for infill in Hamilton involves adding to, or replacing existing ground related buildings with residential structures in a manner compatible with the surrounding development. Figure 5.4 and 5.5 illustrate the potential for this form of infill. Within commercial areas, such as the "H" (Community Shopping and Commercial) and "I" (Central Business District) zoning districts there is some opportunity for this type of infill; but without an inventory of infill opportunities, the actual potential is difficult to assess.



Figure 5.3 This is an example of an apartment site that may be suitable for infill.



Figures 5.4 & 5.5 Infilling also includes adding to ground-related dwellings in a manner compatible with the surrounding development. Buildings such as these could possibly accommodate additional storeys of residential use (provided they are structurally suitable).



5.3 FACTORS AFFECTING INFILL

5.3.1 Municipal Regulations

An infill project of any of the four types described in the preceding subsection must meet all of the zoning requirements for the intended use and for zoning district in which the project is to be located. The primary zoning requirements that affect infill development are the minimum lot size and width requirements.

Further zoning requirements that affect infill development include the following:

- Infilling must conform with the minimum frontage requirement that prohibits the erection of any residential buildings upon a lot which does not abut a public highway for a distance of at least 4.5 metres.
- Infilling must conform with Section 4.3.a of the Zoning By-Law, which states that no building for residential use can be erected on a lot upon which any other residential building has been erected. This requirement necessitates the severances of lots in order for infill to occur.
- Infilling must meet the minimum front, side, and rear yard requirements of the Zoning By-Law.
- Infilling must provide the minimum landscaped amenity or privacy area requirements of the Zoning By-Law.
- Infilling must fulfill the parking requirements for the intended use.

Some attempts have been made to lessen the restrictiveness of the Zoning By-Law. These changes are potentially beneficial to intensification. One of the more significant changes to the Zoning By-Law regards parking -specifically the reduction in the number of parking spaces for multiple residential dwellings (defined as having four or more self-contained dwelling units) in the Central Area from 1.25 spaces per Class A dwelling to 0.8 or 1.0 parking spaces per Class A dwelling (see figure 5.6). Other attempts to amend the Zoning By-Law for the purpose of intensification include the HIGH DENSITY STUDY RECOMMENDATIONS (Appendix G). Three of these recommendations are:

- to reduce the lot area for all residential districts in the Central Area to 360 square metres;
- to eliminate the minimum lot width requirement for all multiple residential zones in the Central Area; and
- to eliminate the minimum unit area for all converted dwelling units.

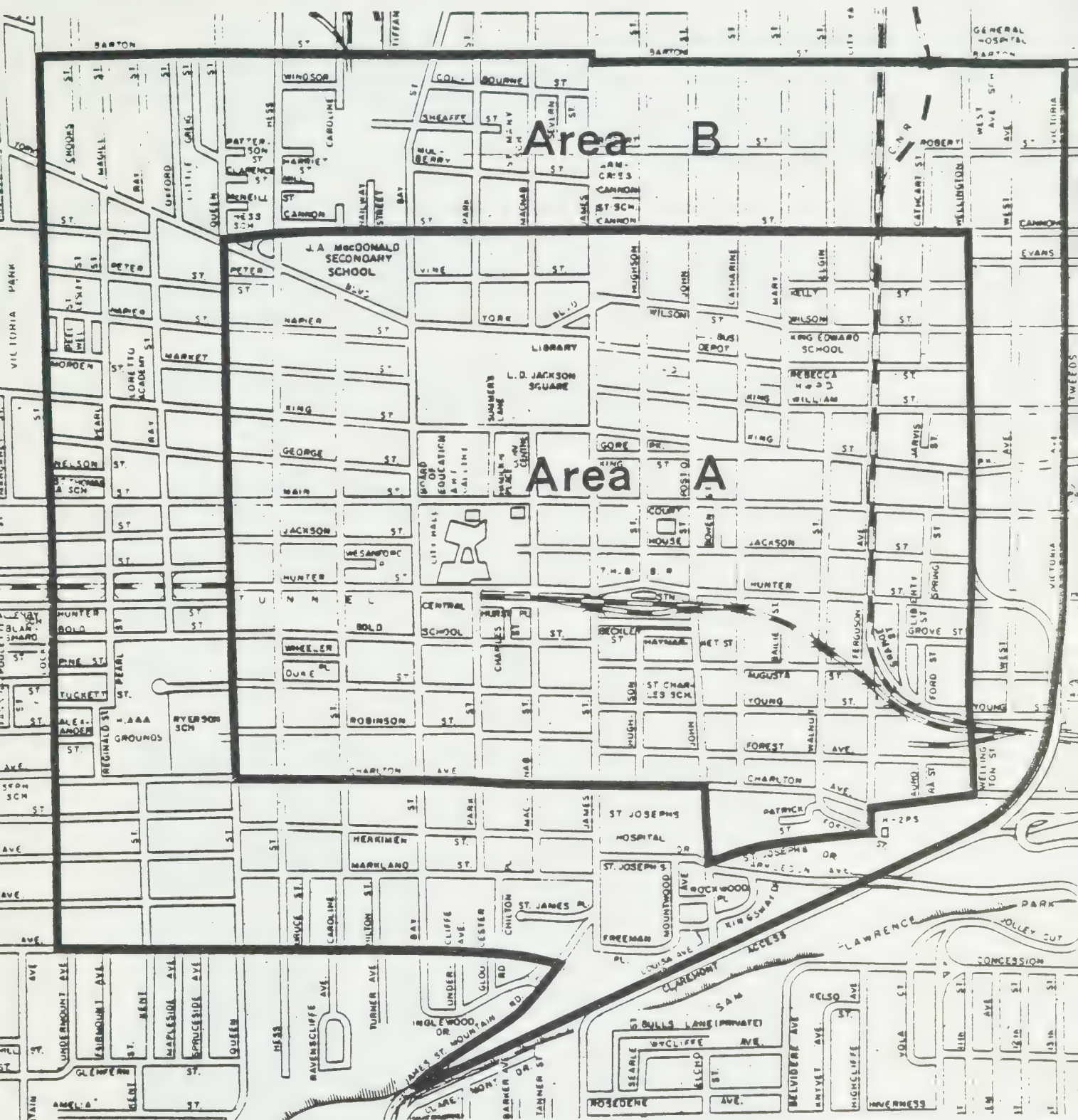
In addition, the requirements of the "H" (Community Shopping and Commercial) zone have been amended in order to allow any building that existed on March 8, 1983 to be converted to contain up to ten dwelling units. The average size of these dwelling units must be 700 square feet, and converted buildings must be separated by a distance of at least 180 metres (590 feet).

Some provision has also been made in the Zoning By-Law for zero lot line housing.

Figure 5.6

Zoning Regulations for Parking

Schedule "H" to
By-law No. 6595



LEGEND

— Delineates boundary of those areas in which parking requirements for Multiple Residential uses are reduced.

Area "A" - required parking spaces reduced from 1.25 spaces per Class "A" dwelling unit to 0.8 spaces

Area "B" - required parking spaces reduced from 1.25 spaces per Class "A" dwelling unit to 1.0 spaces

5.3.2 Neighbourhood Impacts and Resistance

As previously noted in subsection 4.3.2, a literature review (Appendix F) revealed several key concerns regarding residential intensification. The following outlines some of the major concerns amongst residents regarding infill.

A. Property Values

The chief concern amongst residents appears to be property values, and the fact that infill development may in some manner lower the value of their property. In situations where infill fails to recognize the form and character of a neighbourhood, property values may be adversely affected. However, if infill is undertaken by the private sector, it will generally result in dwelling units priced similarly to those already existing in the neighbourhood (Klein and Sears et al, 1983).

Figure 5.7 is an example of an infill development that is consistent with the form and character of the existing neighbourhood.

B. Parking

The availability of parking, and possible shortages resulting from infill development, are perceived to be major problems by neighbourhood residents.

Due to the nature of infill development, parking in most instances should be able to be provided on-site. If on-site parking cannot be provided, then parking may become a problem - which depends largely on the existing parking situation within the neighbourhood. Some neighbourhoods find street parking to be satisfactory, but there are alternatives such as the use of the parking lots of neighbourhood plazas or churches. However, these options may not be acceptable because of liability problems and other matters such as responsibility for snow removal.



Figure 5.7 Pictured here is an example of an infill project that appears to blend in well with the surrounding neighbourhood.

C. Loss of Open Space

Residents have concerns that infill may result in a loss of open space. As backyards and front yards are paved over to accommodate additional parking needs and private open space is utilized for infill, there may indeed be a loss of open space. While, in general, only privately-owned open space would be lost to infill, this may still be unacceptable to neighbourhood residents. This problem, however, may be minimized through the use of such elements as landscaping, planting strips, buffered areas, and fencing.

Under Subsection A.2.4 of the Official Plan, it is the intent of the City to preserve all publicly owned open space. Therefore parks, recreation areas, pathways, horticultural nurseries, forestry and wildlife management areas, and other publicly-owned open space will not be replaced by infill development.

D. Social Class

A concern over the type of tenant who will live in an infill unit is often expressed by neighbourhood residents. Residents fear that new tenants to the neighbourhood will not share the same values, resulting perhaps in conflict and a breakdown in the neighbourhood social structure.

As mentioned earlier, infill units will generally be priced similarly to the existing housing stock. Therefore, infill may serve socioeconomic groups similar to those which exist in the neighbourhood. However, where infill takes the form of rental units, it will likely be affordable to those with lower incomes than the existing residents, but who may desire the same neighbourhood qualities.

E. Physical Changes

A further fear that residents have is that infill development may introduce buildings that are not in keeping with the existing character of the neighbourhood. Though this is possible, infill need not have a negative visual impact. Figures 5.8 and 5.9 illustrate an example of an infill project that integrates well into the neighbourhood. One of the goals of infill, as stated in section 5.1, is for it to occur in a form which physically integrates itself into the surrounding neighbourhood. This integration could be facilitated to some extent by making infill development subject to site plan control, or by creating guidelines on the type and form of infill development permissible.



Figures 5.8 & 5.9 Infill development need not have a negative visual impact, as these photos illustrate.



5.4 CONCLUSIONS

Though the number of additional units that could be created through infill development may not be large in any single case, the overall contribution to the housing stock could be significant.

Neighbourhoods which characteristically have larger lots could potentially accommodate additional lots through severance.

Infilling on landscaped open space surrounding apartment complexes offers some potential for additional housing.

Zoning By-Law requirements that impact the potential for infill include:

- prohibiting the erection of two or more residential buildings on one lot;
- requiring a minimum lot area of 360 square metres (3,875 square feet);
- requiring minimum landscaped areas;
- requiring a minimum frontage abutting onto a public roadway;
- requiring a minimum lot width; and,
- having parking requirements that apply to all forms of residential development.

Neighbourhood residents share many concerns regarding infill which must be addressed in order for infill development to be successful.



Figure 5.10 Pictured here is an infill development that does not integrate well into the surrounding development.



Figure 5.11 Rear lanes may offer access to rear-lot infill developments.



Figure 5.12 A number of privately owned vacant lots are scattered throughout the City. These small lots offer potential for intensification.

6.0 REDEVELOPMENT

6.1 BACKGROUND

Intensification can also be accomplished through larger scale redevelopment. For the purpose of this report, redevelopment can be defined as the replacement of non-residential uses or lower density housing with higher density residential or mixed-use developments. Redevelopment can also include the construction of residential units on vacant or underutilized sites in traditionally non-residential areas.

6.2 POTENTIAL FOR REDEVELOPMENT

Redevelopment will typically take place in the older established areas of the City and will tend to be of higher density due to the costs involved in projects of this nature. Consequently, this report will concentrate on the potential that exists in the Central Area (figure 6.1). This does not mean that opportunities for redevelopment do not exist in other areas of the City. Additional opportunities may exist in other areas, such as in underbuilt commercial strips along suburban arterial roads.

Potential sites for redevelopment in the Central Area exist as underutilized publicly and privately owned lands. The majority of these sites are located in zones that allow residential or mixed commercial/residential uses.

Though the potential for redevelopment exists, the actual number of lots that would be developed and the number of dwelling units that would be created is unknown. The local economic climate plays a large role in determining when and where redevelopment will occur, as do permitted densities. Also, strong demand for new residential development must exist before new projects will be initiated and the location must be a desirable one. Land ownership patterns can also be a limiting factor, particularly for large-scale redevelopment projects that would require some land assembly.

6.3 FACTORS AFFECTING REDEVELOPMENT

6.3.1 Municipal Policies and Regulations

Several sections of the Official Plan influence redevelopment directly, including:

- Subsection A.2.1.13 states that "Plans for redevelopment will...ensure that the residential character of the area will be maintained or enhanced and that redevelopment will not burden the existing facilities and services."

Redevelopment of an underutilized parcel of land can however, be viewed as being synonymous with the term development in the Official Plan. As such, other sections of the Plan will impact on potential redevelopment projects.

- Subsection A.2.1.16 contains provisions which allow additional densities to be added to a project in return for increased landscaped areas.
- Subsection A.2.2.13 details the requirements for mixed commercial/residential uses. This subsection is important because potential redevelopment in the Central Area will often take this form.

Intensification through redevelopment is also encouraged in the Central Area Plan. This Plan supports mixed use development in the downtown area.

Any proposed redevelopment scheme must conform with the requirements for the particular zone and land use in question (see Zoning Requirements Chart - Appendix E). The majority of the potential redevelopment sites are zoned "CR-3," a commercial/residential designation which allows for a residential component of approximately 53 percent of the building. A mixed zone of this type is complementary with the character of the Central Area.

A portion of the remaining lands are located in the "I" (Central Business District) zone. This zoning district permits multiple-dwelling residential development on a lot with an area of 450 square metres, or 65 square metres per unit, whichever is greater. Other requirements exist within prescribed floor area ratio of lot area requirements and other factors which limit the size of the building. There are no regulations that require the residential component to be located only in the same building as commercial development.

Another zone in which potential redevelopment sites are located is the "H" (Community Shopping and Commercial) zone. With respect to new development or redevelopment, mixed commercial/residential uses are allowed, subject to the following requirements:

- one or two dwelling units in the same building with a commercial use, or
- one dwelling unit for each 180 square metres of lot area, provided that the building does not exceed two stories in height and further provided that the gross floor area of the residential component does not exceed the gross floor area of the commercial component.

6.3.2 Public Concerns

Residential redevelopment, like other forms of intensification, must address the concerns of area residents before it can be successful. Higher density development is associated with many of the same concerns as the other forms of intensification, but there are several additional concerns that are specific to redevelopment. Some of these concerns were addressed in the High Density Residential Study. The recommendations from this study that relate to intensification are contained in Appendix G.

A. Loss of the Existing Building Stock

The loss of the existing building stock, especially buildings of historic and architectural significance is a major concern. However, the Local Architectural Conservation Advisory Committee (LACAC) is actively working to preserve buildings of significant merit. One method of preserving character of an area is to require redevelopment proposals to incorporate the existing building facades into the new building designs. This would help to retain the existing character of the streetscape, while revitalizing the aging building stock.

Another tool is contained in Section 33 of the Planning Act (1983) which deals with demolition control. This provision allows municipalities to protect the existing residential building stock from indiscriminate demolition. Demolition permits are issued only after a building permit has been issued, or on condition that construction will be completed by a specified date (see Appendix H for a more detailed discussion). This provision has not been used extensively in Hamilton.

The Ontario Heritage Act can delay demolitions for heritage buildings for up to 9 months and provides control over change in appearance, also.

B. Views

High density development can obstruct views deemed important by the community. Redevelopment may obstruct the view from the street and from existing buildings. Vistas are currently protected to some degree by height restrictions in the Official Plan and Zoning By-Law, and by the Niagara Escarpment Commission.

C. Shadow Casting and The Effects of Micro-Climates

Highrise buildings cast shadows on public open spaces and adjacent properties. They may also create uncomfortable wind tunnel and other changes to the micro-climate. However, building set backs on the upper floors can reduce the shadow casting problems and the effects on micro-climates. Wind tunneling can also be significantly diminished through lower building profiles and designs.

D. Compatibility of Form

New high density development may be incompatible with the existing building stock. This not only applies to building heights but also to setbacks and facades. High density development should be situated in areas of similar building types, therefore the Central Area may be the most suitable location for development of this type. Compatibility of form must be considered before development is approved.

E. Green Space

Another concern is the loss of green space. While intensification is a worthy endeavor, it should not adversely impact the quality of urban life. Green and open spaces are a necessary component of urban life that must be considered with every redevelopment proposal.

6.4 CONSIDERATIONS FOR REDEVELOPMENT

While redevelopment offers some opportunity for increasing the number of residential units, it must be noted that redevelopment may not entirely be the answer to the affordability issue. Since the advent of rent controls, few rental apartment buildings have been erected in Hamilton. The majority of the new high density residential accommodation are condominiums, although it should be noted that many of these units are rented out. This trend is likely to continue as long as the current rental market conditions last, although it should be noted that Hamilton appears to be supporting a strong market for rental townhouses.

One answer to the affordability issue is in non-profit or co-operative housing projects. City-owned land could be turned over to the City's Non-Profit Housing Authority or other non-profit housing agencies to aid in providing more affordable rental accommodation. A proposal such as this may meet with some local resident opposition. Many of the concerns such as the type of tenant have already been dealt with in the Conversion section (section 4.3.2). Other concerns such as the site design can be dealt with through site plan control. Non-profit housing projects do not need to be visually obtrusive as figure 6.2 illustrates.



Figures 6.2 Redevelopment offers some opportunity for non-profit housing projects. Illustrated here, are two examples of non-profit housing projects.



6.5 CONCLUSIONS

Redevelopment offers some opportunity for increasing the residential stock in Hamilton.

Redevelopment may not address the affordability issue.

Because of its higher density, redevelopment may be more appropriate in the Central Area.

The Central Area Plan encourages mixed use developments.

The Zoning By-Law permits redevelopment.

Demolition control and LACAC can help to protect the existing building stock.

Many of the impacts of high density development can be dealt with through proper building siting and design.

Redevelopment must address public concerns if it is to be a success.

There are certain zoning tools that some have suggested as a means of encouraging redevelopment, including:

- holding provisions in Zoning By-Laws, such as the "L" (Planned Development) zone in Hamilton's By-Law;
- density bonussing;
- transfer of development rights.

It should be noted, however, that the usefulness of these tools has not been determined.



Figure 6.3 This is one of several parking lots that has redevelopment potential.

7.0 ADVANTAGES AND DISADVANTAGES OF INTENSIFICATION

7.1 INTRODUCTION

Intensification has a number of advantages and disadvantages to both municipalities and to the public. The three forms of intensification discussed in the preceding sections have many of these advantages and disadvantages, however, some may specifically pertain to one form or another. The following will highlight both the advantages and disadvantages of intensification.

7.2 ADVANTAGES TO RESIDENTIAL INTENSIFICATION

To municipalities, intensification offers the following benefits:

- Intensification offers municipalities the chance to better utilize the existing municipal infrastructure. This will result in a more cost effective provision of public services.
- Additional dwelling units created through intensification can provide the City with increased assessment while requiring little or no capital outlay.
- Intensification can provide additional population to utilize community facilities that may presently be underused. In addition, the new population will help to maintain the level of community and transit services as well as to support the retail facilities within the neighbourhood.
- Intensification may encourage the renewal and conversion of existing building stock. This will allow neighbourhoods to retain their current physical character and at the same time, provide needed housing. In addition, infill can preserve land while accommodating growth.
- Finally, infill and redevelopment allows for the possibility of non-profit housing opportunities.

To the public, intensification offers the following benefits:

- Intensification may enable homeowners to supplement their income. This is especially relevant when one considers the present cost of homes. The ability to rent out part of their home may be the only way some first-time homebuyers will be able to enter into the housing market.
- Intensification through conversion allows homeowners to adapt their buildings to changing circumstances (i.e. excess space, supplementing income, etc.)
- Units created through infill development may provide increased access for younger and smaller households into traditionally stable family neighbourhoods.
- High density residential redevelopment and rental units created through conversions can provide additional affordable rental units, particularly if they are publically built.
- Some researchers have concluded that infill development will generally result in higher property values, because demand for infill activity usually signifies a strong property market (Klein & Sears et. al).

- Finally, intensification through conversion may allow seniors to stay in their homes longer. Tenants could help with yard work and maintenance in return for a lower rental fee, or tenants may simply act as a companion for an elderly homeowner.

7.3 DISADVANTAGES TO RESIDENTIAL INTENSIFICATION

Municipalities face the following disadvantages as a result of intensification:

- Highly centralized intensification in already densely populated neighbourhoods could potentially magnify present parking problems if on-site parking cannot be provided. Therefore, neighbourhoods that are already experiencing parking problems may not be suitable for intensification.

The public, on the other hand, is faced with the following disadvantages as a result of intensification:

- Intensification through infill and redevelopment may result in the loss of open space.
- Infill development, if undertaken within the private sector, will generally result in units priced at or above the price of housing in the neighbourhood.
- Because of its high density nature, intensification through redevelopment may precipitate such unfavorable conditions as wind-tunnelling, loss of views, and shadow casting.
- Potential heritage buildings could be lost through redevelopment.
- Intensification through conversion may result in unfavorable physical changes to existing buildings.

7.4 PROGRAMS AVAILABLE TO MUNICIPALITIES AND THE PUBLIC

There are a number of provincially-funded programs designed to assist both the public and municipalities to capitalize on the advantages associated with intensification and limit the disadvantages.

To municipalities interested in intensification, there are several programs available. The Neighbours Program is helpful in educating the public about the purpose of intensification. Other programs that can be used for further studies or implementation projects include the Home Sharing Program, the Community Planning Grant Program, and the Program for Renewal, Improvement, Development, and Economic Revitalization (PRIDE).

The public also has access to several government programs to help revitalize, retrofit, and/or upgrade the existing building stock. These programs include the Convert-to-Rent Program and the Low-Rise Rehabilitation Program. A more detailed account of these programs is given in Appendix I.

REFERENCES

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- Regional Municipality of Hamilton-Wentworth**, Land Use Characteristics, Hamilton, 1976 - 1986.
- Statute of Ontario**, Planning Act (1983), Toronto, December, 1986.
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APPENDIX A

Terms of Reference

TERMS OF REFERENCE

1. INTRODUCTION

The terms of reference form part of a proposal to the Ministries of Housing and Municipal Affairs for a grant application. The terms of reference cover:

- Objectives of the Study;
- Study Approach;
- Public Participation and Technical Support; and,
- Study Timing and costs.

2. OBJECTIVES OF THE STUDY

- to provide background information and analysis on housing intensification as a basis for developing strategies;
- to determine the appropriateness of housing intensification;
- to develop a series of strategies for housing intensification as a basis for appropriate recommendations; and,
- to implement housing intensification strategies where appropriate.

3. STUDY APPROACH

The study will be undertaken in the following phases:

PHASE 1 (BACKGROUND) will record current trends relating to housing intensification, needs and demands, existing planning policies and controls both in the City and other municipalities, and examine current housing intensification initiatives.

PHASE 2 (ANALYSIS) will analyze the material from the background phase to establish the potential and constraints for housing intensification.

PHASE 3 (STRATEGIES) will develop a series of appropriate strategies for housing intensification by examining options and impacts.

PHASE 4 (IMPLEMENTATION) will deal with the implementation of the strategies.

PHASE I (BACKGROUND)

- affordability trends including price of housing, rentals, mortgage rates, income and costs of living indexes. Sources: Stats. Can., CMHC, Real Estate Board.
- review trends in household make-up and formation. Source: 1988 Assessment.
- losses and gains in residential stock through intensification and deintensification by neighbourhood. Source: 1988 Assessment.
- review household projections and current demand for types of dwelling produced through intensification. Source: Municipal Housing Statement Survey, Regional Population Projections.
- review current policies affecting housing intensification in the Official Plan, Neighbourhood Plans and other policy documents.
- review current affecting housing intensification including site specific amendments and variances, conversions, low and medium density zoning, strip and suburban commercial parking.
- review current regulations affecting intensification e.g. - Building Code.
- review current programs related to intensification.
- review current and recent studies mentioned in Appendix A and their findings and status.
- review related literature including Affordable Home Ownership Charrette by Toronto Home Builders Association, In Your Neighbourhood by Lewinberg Consultants, Housing Intensification Report No. 4 by Metro Toronto Planning Department and Parking and Accessory Apartments by Marshall, Macklin, Monaghan, and the Provincial Guidelines on housing intensification and other relevant material.

- review policies and controls in other municipalities.
- meet with Ministry officials and others involved in housing intensification to record current ideas and initiatives.

PHASE 2 (ANALYSIS)

- analyze policies and controls in other municipalities.
- analyze the existing affordability situation in relationship to the past.
- analyze the existing potential for housing intensification using the projected demand from changes in household nature and projected supply.
- analyze the current policies and whether they address present housing intensification needs.
- analyze the applicability of various initiatives and ideas to Hamilton.
- analyze the need to implement current strategies.

PHASE 3 (STRATEGIES)

- identify issues around parking, traffic, overcrowding, impacts on streetscape, social aspects, impacts on services, maintenance, value, etc.
- develop strategy options using the background and analysis.
- assess impact of various strategy options.
- recommend appropriate strategies and identify implementing groups.
- meetings with key groups and agencies will be held. A workshop and public meetings will be held. Outstanding issues will be resolved.

PHASE 4 (IMPLEMENTATION)

- carry out the necessary strategies. For example - policy changes, changes to the zoning by-law on a general or area-wide basis, educational initiatives, home sharing demonstration projects, etc.
- a public meeting of the Planning and Development Committee will be held. Council will endorse appropriate proposals.

PUBLIC PARTICIPATION AND TECHNICAL SUPPORT

The study will be undertaken by the Hamilton-Wentworth Region Planning and Development Department who advise the City of Hamilton on planning matters. Part of the study will be funded (about \$20,000) by the City through their annual budget. The remaining part will be funded through a \$12,000 grant from the Ministry of Housing and about \$50,000 grant from the Ministry of Municipal Affairs. City money will be used to provide allocations for in-house staff and administrative services. The Manager of the Neighbourhood Section will co-ordinate the study. The Director of Local Planning and the Managers of the Policy and Development Sections will participate throughout the study.

Ministry money will be used to hire planning staff to carry out the work and produce publications.

A technical steering committee will be set up and include:

- a representative from the Ministry of Housing;
- a representative from the Ministry of Municipal Affairs;
- a representative for the Region of Hamilton-Wentworth Planning and Development Department;
- a representative from the Region of Hamilton-Wentworth Housing Policy Group
- a representative from the Community Development Department;
- the Director of Local Planning;
- a representative from the Social Planning Council.

The Steering Committee will meet approximately 10 times throughout the study.

The Traffic, Building and other Departments will be invited when appropriate. The study will include meetings with key groups and agencies throughout the process. Interested groups will be kept informed through notices, minutes and information packages. The study will also include a workshop and public meeting during Phase 3 to refine strategies. Workshop participants will include politicians and representatives for the concerned groups:

- Hamilton Real Estate Board;

- Chamber of Commerce;
- Central Area Plan Implementation Committee;
- Hamilton and District Home Builders Association;
- Neighbourhood Associations;
- Social Housing Action Committee (a sub-committee of the Social Planning and Research Council concerned with affordable housing).

APPENDIX B

Rental Housing Protection Act

RENTAL HOUSING PROTECTION ACT

The Rental Protection Act is designed to preserve the existing supply of rental housing in the province. The Act restricts certain activities which serve to reduce the stock of rental housing.

Under the Act, municipal councils are required to approve any proposals to convert, demolish, renovate, sever into individual ownership, or otherwise change the use of rental housing in Ontario. The Act applies in different ways, depending upon the population of the municipality, the size of the building, and other factors. Most of the provisions apply only to municipalities with a population of more than 25,000.

The Rental Housing Protection Act deals with: the conversion of rental housing to condominiums, co-operative; or any other use; the sale of a share or interest in a co-operative; the demolition of rental housing, the severance of rental housing; the renovation or repair of rental housing; and, serving notices of termination of a residential tenancy.

1. Conversion of Rental Housing to a Condominium

In Hamilton, approval of municipal council is required to convert housing which contains one or more rental units to a condominium. Prior to January 31, 1989 there were exemptions to this:

- Condominium projects where application for approval is made before 50% of the residential units have ever been rented to people other than those who are purchasing the units;
- Properties which have received draft approval as a condominium.

However, as of January 31, 1989, the restrictions on the conversion of rental housing to condominiums will apply to all rental buildings in all municipalities.

2. Conversion of Rental Housing to Another Use

Approval of municipal council is required to convert rental buildings or parts of rental buildings used for rental residential purposes to an apartment hotel, rooming house, commercial complex or other use. Here also there are two exemptions:

- Properties with four or less residential units;

- Municipalities with a population below 25,000 unless named in the regulations because of rental housing shortages;
- If a building or a complex is now partly converted to an apartment hotel, commercial complex or other use, the units which have not yet been leased or occupied, are subject to the Act.

3. Conversion of Rental Housing to a Co-operative

The approval of municipal council is required to convert rental housing to a co-operative form of ownership. The conversion to a co-operative form of ownership takes place either at the first sale or lease of a co-operative interest in a building; or at the transfer of the lease of the building to co-operative corporation.

There are three exemptions:

- Properties with four or less residential units;
- Municipalities with a population below 25,000 unless named in the regulations because of rental housing shortages;
- Conversions to non-profit co-ops;
- Where the building was transferred to the corporation prior to July 10, 1986, or at the first sale or lease of a co-operative interest took place prior to July 10, 1986, then the conversion is not covered by the Act.
- Co-operatives owned and operated by any government body are completely exempt from the Act.

4. Demolition of Rental Housing

The approval of municipal council is required to demolish any rental housing.

There are four exemptions to this:

- Properties with four or less residential units;
- Municipalities with a population below 25,000, unless named in the regulations because of rental housing shortages;
- Instances where the municipality has issued an order for demolition under the Building Code, the Fire Marshall's Act, or the Planning Act;

- Buildings demolished under certain government housing programs;
- Projects currently underway may proceed if all required permits were obtained prior to July 10, 1986.

5. Severance of Rental Housing

The approval of the municipal council is required to sever into individual ownerships, rental residential properties containing more than four units.

Exemptions:

- Properties with four or less residential units;
- Municipalities with a population below 25,000 unless named in the regulation because of rental housing shortage;
- Any severance consisting solely of an easement or right-of-way;
- Properties where, after severance, one severed portion would be vacant or contain no residential units and the other would contain a rental residential property which is subject to the Act.

If a decision was made to grant or refuse a consent before July 10, 1986, then the application is subject only to the Planning Act and not the Rental Housing Protection Act.

6. The Renovation or Repair of Rental Housing

The approval of municipal council is required to undertake renovations or repairs, if either the eviction of existing tenants is required, or if the unit is now vacant, but there have been tenants in the unit at any time during the previous year.

Exemptions:

- Properties with four or less residential units;
- Municipalities with a population below 25,000, unless named in the regulations because of rental housing shortages;
- Instances where an order has been issued for repairs under the Building Code, the Fire Marshall's Act, the Planning Act, or the Residential Rent Regulations Act;

- Buildings renovated or repaired under certain government housing programs;
- Buildings currently under the Low Rise and High Rise Rehabilitation Programs.
- Projects currently underway can continue and notices of eviction can be served on tenants if all required permits were obtained prior to July 10, 1986. As well, renovations and repairs can be undertaken without municipal approval on units that have been empty for the previous year.

7. Serving Notice of Termination of a Residential Tenancy

Approval of municipal council for the demolition, renovation or repair, severance, conversion or other changes in use of rental housing is required before notices of termination of tenancy can be served on tenants, or before a court can be obtained for possession of units.

Exemptions:

- Properties with four or less residential units;
- Municipalities with a population before 25,000, unless named in the regulations because of rental housing shortage;
- Any activity included in the Act for which all required permits or approvals were obtained prior to July 10, 1986 can proceed and notices of eviction can be served to tenants.

8. The Approval Criteria

A municipal council cannot approve an application to allow activity which is restricted by the Rental Protection Act unless the application meets at least one of the following criteria outlined in the regulations:

- Where the applicant will provide satisfactory accommodation at a similar price in the same area for the tenants who are evicted, and will provide the same number of new rental units in the same area.
- Where it is shown that the proposal does not adversely affect the availability of affordable rental housing in the area.

- Where a building should be demolished because it is unsafe and unfit for human habitation. The municipality may request a report about the building's condition in order to make this assessment.

Exemptions from the Approved Criteria:

In considering the application to convert a rental housing to a condominium, the municipal council does not have to apply the approval criteria in:

- Properties with four or less residential units;
 - Municipalities with a population below 25,000 unless named in the regulations because of rental housing shortage.
- * Excerpts taken from a pamphlet on the Rental Housing Protection Act produced by the Ministry of Housing, April 1988.

9. Amendments to the Bill

As of January 31, 1989 residential properties which are entirely vacant are no longer exempt from the Act, Section 24 of Bill 211 makes vacant rental residential properties subject to the Act.

In addition, regulations under the amended Act will provide that the legislation applies to rental buildings with more than four units which are located in a municipality with a population greater than 50,000.

APPENDIX C
Minimum Unit Size
Under the Ontario Building Code

MINIMUM UNIT SIZE REQUIREMENTS UNDER THE ONTARIO BUILDING CODE

All newly created residential dwelling units are subject to section 9.5 of the Ontario Building Code. The Building Code has set the following minimum room size requirements:

Bachelor Dwelling Unit

A bachelor dwelling unit excluding the optional bedroom must have a floor area of at least:	21.25 sq. m. (229 sq. ft.)
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A bachelor dwelling unit that includes a bedroom space in combination with another space must have a floor area of at least:	25.45 sq. m. (274 sq. ft.)
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The minimum unit size for a bachelor dwelling unit includes the following room and space dimensions:

Living Space	- where the area of living space is combined with a kitchen and dining area shall be at least:	11.0 sq. m. (120 sq. ft.)
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Dining Area	- a dining space in combination with other space shall have a minimum floor area of:	3.25 sq. m. (75 sq. ft.)
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	- dining rooms not combined with other space shall be at least:	7.0 sq. m. (75 sq. ft.)
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Kitchen-	- Kitchen areas within bachelors shall have a minimum floor area of at least:	3.7 sq. m. (40 sq. ft.)
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Bathroom	- an enclosed space of sufficient size shall be provided:	3.3 sq. m. (36 sq. ft.)
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Bedroom (optional)	- bedroom spaces in combination with other spaces shall have a minimum floor area of at least:	4.2 sq. m. (45 sq. ft.)
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A One-Bedroom Dwelling Unit

A one-bedroom dwelling unit must have a floor area of at least: **33.05 sq. m.**
(356 sq. ft.)

The minimum unit size for a one-bedroom dwelling unit include the following room and space dimensions:

Living Space	- living areas, either as separate rooms or in combination with other spaces:	13.5 sq. m. (145 sq. ft.)
Dining Room	- a dining space in combination with other spaces must have a floor area of at least:	3.25 sq. m. (35 sq. ft.)
	- dining rooms not combined with other space shall be at least:	7.0 sq. m. (75 sq. ft.)
Kitchen	- kitchen areas either separate from or in combination with other spaces shall be at least:	4.2 sq. m. (45 sq. ft.)
Bathroom	- an enclosed space of sufficient size shall be provided:	3.3 sq. m. (36 sq. ft.)
Bedroom	- at least one bedroom in every dwelling shall have a floor area of at least:	8.8 sq. m. (95 sq. ft.)

A Two-Bedroom Dwelling Unit

A two-bedroom dwelling unit must have a floor area of at least: **39.05 sq. m.**
(420 sq. ft.)

The minimum unit size for a two-bedroom dwelling unit includes all those room and space dimensions applicable to a **one-bedroom** dwelling unit plus the following:

Second Bedroom	- bedrooms in dwelling units shall have a minimum floor area of at least:	7.0 sq. m. (75 sq. ft.)
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APPENDIX D

Basement Apartments

BASEMENT APARTMENTS

Definition as In the Zoning By-law;

Basement: means a storey which is partly below adjacent ground but which is not more than one-half of the clear height from the top of its floor to the underside of its finished ceiling below the adjacent ground.

Cellar: means that portion of building which is partly below adjacent ground but which has more than one-half of the clear height from the top of its floor to the underside of its finished ceiling below adjacent ground.

Controls which Impact on basement apartments;

Fire Dept. - A basement apartment must comply with normal fire safety requirements. Any work that must be done to bring the basement into compliance with the fire regulations with require a permit from the Building Department.

Health Dept. - The clear height from the finished floor to the finished ceiling must be no less than 7.5 ft. Walls must be of smooth, easily cleaned material.

Consequently, most of the control on basement apartments is with the Building Department.

APPENDIX E
Zoning Requirements Chart

ZONING REQUIREMENTS FOR CONVERSIONS

DISTRICTS	CONVERSIONS PERMITTED	MIN. LOT SIZE	OTHER REQUIREMENTS
AA, B, B-1, B-2, C	up to 2 Class "A" dwelling units	270 sq. m.	no additions are permitted dwelling existed on 25/07/40
D	not more than 3 dwelling units only 1 of which may be a 'housekeeping' unit	270 sq.m.	dwelling existed on 25/07/40
DE-2, DE-3, E, E-1, E-2, E-3	any number with sufficient lot size and at least 2 Class "A" dwelling units for each housekeeping unit	1 - 3 units require 270 sq. m. 4 units or more require 450 sq. m. and at least 65 sq.m. for each unit (37 sq. m. for each bachelor unit)	dwelling existed on 25/07/40
H	up to ten dwelling units	n/s	building existed on 8/03/83 converted buildings must be separated by 180.0 metres
ALL OTHER DISTRICTS	any number with sufficient lot size	1 - 3 units require 270 sq. m. 4 or more units require 450 sq.m. and 65 sq.m. per unit (37 sq. m. per bachelor unit)	dwelling existed on 25/07/40
Parking Requirements (All Districts)			
One Family Dwelling		1.0 space per Class "A" dwelling unit	
Two Family Dwelling		1.0 space per Class "A" dwelling unit	
Three Family Dwelling		1.33 spaces per Class "A" dwelling unit	
Multiple Dwelling (four units or more)		1.25 spaces per Class "A" dwelling unit	

ZONING REQUIREMENTS AFFECTING INFILL AND REDEVELOPMENT

District	Min. Lot Size	Min. Lot Width	Open Space	Front Yard	Side Yard	Rear Yard
'B'	1,100 sq. m	20 m		12 m	3 m	9 m
'B-1'	690 sq. m	15 m		7.5 m	1.8 m	7.5 m
'B-2'	540 sq. m	15 m		6 m	1.5 m	7.5 m
'C'	360 sq. m	12 m		6 m	1.2 m	7.5 m
'D'	360 sq. m (single- family)	12 m		6 m	1.2 m	7.5 m
	540 sq. m (two- family)	18 m				
'DE'	360 sq. m (single- family)	12 m		6 m	1.2 m	7.5 m
	540 sq. m (two- family)	18 m				
	690 sq. m (three- family)	18 m				
'DE - 2'	360 sq. m (single- family)	12 m	25%	6 m	1.2 m	7.5 m
	540 sq. m (two- family)	15 m				
	600 sq. m (three- family)	18 m				
'DE - 3'	360 sq. m (single- family)	12 m	25%	6 m	1.2 m	7.5 m
	540 sq. m (two- family)	15 m				
	600 sq. m (three- family)	18 m				

District	Min. Lot Size	Min. Lot Width	Open Space	Front Yard	Side Yard	Rear Yard
'E'	360 sq. m (1 & 2- family)	12 m	25%	4.5 m	1.2 m	7.5 m
	405 sq. m (three- family)	12 m				
'E - 1'	360 sq. m (1 & 2- family)	12 m	25%	4.5 m	1.2 m	7.5 m
	405 sq. m (three- family)	12 m				
'E - 2'	360 sq. m (1 & 2- family)	12 m	25%	4.5 m	1.2 m	7.5 m
	450 sq.m (three- family)	12 m				
'E - 3'	450 sq. m	15 m	40%			
'H'	360 sq. m	12 m			1.2 m	7.5 m
'I'	360 sq. m	12 m			1.2 m	7.5 m

Parking Requirements of the Zoning By-law (Apply to all Districts)

One - Family Dwelling	1 space per class "A" dwelling unit
Two - Family Dwelling	1 space per class "A" dwelling unit
Three - Family Dwelling	1.33 spaces per class "A" dwelling unit
Multiple Dwelling (four units or more)	1.25 spaces per class "A" dwelling unit

APPENDIX F
Literature Review

STUDY OF RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario.

Prepared by: Klein & Sears
Environics Research Group
Clayton Research Associates
Lewinberg Consultants
Walker, Poole, Milligan

PHYSICAL POTENTIAL

Vol. 3 by: Clayton Research Associates

This report examines the physical potential of the existing building stock with respect to intensification. Case study areas include Toronto, North York, Hamilton, Ottawa, Kingston, Woodstock.

Major Findings

- the majority of the grade-related dwelling stock in Ontario is owner-occupied.
- the existing owner-occupied grade-related stock of dwellings is under-utilized.
- the median gross floor area per person ratio for most case study areas is roughly 425-500 sq. ft. (425 sq. ft. in Hamilton).
- a bachelor apartment requires a minimum of 250 sq. ft. according to the Ontario Building Code.
- over 40% of the owner-occupied grade-related dwelling stock in the study areas could be considered under-utilized (35% in Hamilton).

THE SUPPLY PROCESS

Vol. 5 by: Environics Research Group

This report studied the attitudes and willingness of homeowners to undertake conversions. Municipalities surveyed included Toronto, North York, and Kingston.

Major Findings

- homeowners could be divided into the following four types;
 - recent buyers;
 - mature families;
 - empty-nesters;
 - seniors.
- of those surveyed 9-11% would consider renting out a room and 5-6% would consider converting.
- homeowners most likely to rent out a room or convert were recent buyers and mature families in Kingston, and recent buyers and empty-nesters in Toronto, and North York. This difference is a reflection of the different household types in these communities.
- the two major reasons for renting space out were financial reasons and availability of extra space.
- the main reason given for not creating a self-contained apartment was the expense associated with this venture.

TENANT DEMAND

Vol. 6 by: Envirionics Research Group

This report contains the results of a survey of tenant demand for conversions. The study area included neighbourhoods in Toronto, North York, and Kingston.

Two types of renters were identified:

1. High Preference (for renting in a house)

Characteristics	<ul style="list-style-type: none"> - typically couples or singles in their 30's - aspire to owning their own home in the near future - not satisfied with renting
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2. Low Preference (for renting in a house)

Characteristics	<ul style="list-style-type: none"> - typically older couples or young singles - mostly satisfied with renting
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- Potential demand for rental accommodation in a house is quite high - approximately 25% of renters would prefer to rent in a house.
- Relatively few of those surveyed would rent a basement apartment.
- Of those with a 'high preference' for renting in a house, 40-50% would consider converting their own home once they purchase.

MUNICIPAL AND PROVINCIAL POLICIES AND REGULATIONS

Vol. 8 by: Walker, Poole, Milligan

This report examined the impact of municipal policies and by-laws on housing intensification efforts.

Major Findings

Official Plans are so general in nature that they give little direction to intensification.

Municipalities often have local building requirements above and beyond the Ontario Building Code.

There are few regulations standing in the way of home sharing arrangements.

Most zoning by-laws restrict conversions through performance standards such as;

- lot size;
- parking requirements;
- minimum front, side and rear yard;
- number of dwellings per unit;
- parking requirements.

As a result, prospects for "as of right" conversions is very limited.

NEIGHBOURHOOD IMPACT AND RESISTANCE

Vol. 7 by: Environics Research Group and Lewinberg Consultants

This report examined the impact of intensification on homeowners in residential areas. The study examined 5 municipalities including; Toronto, North York, Hamilton, Ottawa and Kingston. The neighbourhoods surveyed were chosen on the basis of their physical potential for infill and/or conversion.

Major Findings

Households were divided into 3 distinct groups;

- High tolerance groups (49% of households);
- Moderate tolerance groups (27% of households);
- Low tolerance groups (24% of households).
- The majority of those surveyed could be considered to be in the 'high tolerance' group.
- The reaction to various models of intensification was gauged. The following is a rank ordering (from least objectionable to most objectionable) of these models based on the residents reaction to the various types of intensification:
 1. conversion of part of a house into an apartment;
 2. conversion or infill with and addition;
 3. infill with semi-detached;
 4. infill with an additional house on a lot;
 5. unrelated individuals sharing a house.

Factors most concerning residents regarding intensification:

- degree of upkeep;
- type of household moving in;
- tenure of new unit;
- how parking is handled;
- extent in an area;
- type of change.

PARKING AND ACCESSORY APARTMENTS: A METRO CASE STUDY

Prepared by Marshall Macklin Monaghan Ltd.

This report was the first major attempt in Ontario to find out what was actually happening "on the street" with converted housing and parking. The purpose of the study was to examine whether the demand associated with intensification can or cannot be accommodated in areas that are intensifying, and, therefore, whether meeting the parking demand created by intensification hinders the potential of an area to intensify. The study also provides municipalities with general guidelines that can be used to assess parking requirements associated with residential intensification.

The study concluded the following:

- Intensification is most pronounced closest to the downtown core and least evident in the suburban areas.
- The majority of the City of Toronto conversions appears to be legal with respect to use.
- For the most part, the housing conversions are well camouflaged.
- Many downtown conversions are rooms.
- The majority of converted buildings are owner occupied.
- De-conversions are also occurring.
- A dichotomy exists between the perceived parking problems resulting from residential intensification and those which are actually observed.
- There are more than enough spaces available 'on-site' to accommodate the number of vehicles that actually exist in the areas studied.
- On-street parking is generally not a problem.
- A very low to non-existent incidence of illegal parking has been observed.
- A loss of open space is not considered a problem for parking related to residential intensification.
- The degree of intensification does not appear to influence vehicle ownership.

- Socio-economic factors as well as transit accessibility influence vehicle ownership.
- External signs of conversion do not appear to influence parking demand.
- Smaller unit types have fewer autos than larger unit types.
- No discernable relationship could be established related to parking required for converted and non-converted units of the same type.

CHARRETTE ON AFFORDABLE HOMEOWNERSHIP - 1988

Toronto Home Builders Association

The goal of the affordable Homeownership Charrette was to devise ways of rectifying the current affordability problem. Two solutions were formulated;

- Increase the ability of people to pay more for housing;
- Find ways to produce lower priced homes by reducing associated development and building costs.

Since little can be done about the first solution - short of government grants and subsidies - the Charrette focused on the second option. In order to address the second option, three basic questions were considered;

- What are the impediments that constrain the building of affordable types of homes in today's subdivisions?
- Considering the very high concentration of first time home buyers, can new homes be created in the \$120,000 price range within built-up areas and without considerable disruption to the neighbourhood.
- How can lower priced homes be created to meet the wide range of seniors' needs? What associated services would also be required in conjunction with these housing forms.

With the focus of the Charrette on solutions and actions, several key findings were identified and recommendations contrived.

Among the Charrette's findings and recommendations were several directly related to housing intensification. The task group identified the following;

- Restrictive zoning standards, excessive hard and soft service requirements and lot levies are a major cost factor on the price of new homes.
- The Ontario Building Code is a compliance oriented regulation that constrains the use of innovative design and production techniques.
- The public has many misconceptions and is generally confused about residential intensification.

- The full potential of intensification will never be realized without some degree of political support.
- The Province has done little in promoting and facilitating various forms of intensification, particularly infill, conversion and redevelopment.
- Faced with the difficulty of finding developable land, intensification would offer new alternatives and options to current forms of development.

IN YOUR NEIGHBOURHOOD
Prepared by Lewinburg Consultants Ltd.

This report examined all aspects associated with the functioning of existing residential neighbourhoods and the existing housing stock on those neighbourhoods.

The report addresses two primary issues:

- Why neighbourhood intensification has become important today; and,
- What are the significant changes that have occurred in Ontario over the past 30 years that have led us to today's situation.

Major Findings

- The population of Ontario grew approximately 87% between 1951 and 1981.
- Over the same period, new household formation grew by 152%.
- Between 1951 and 1981, family households increased by only 133%, while in sharp contrast, single person households grew by 556%.
- Neighbourhoods have become less oriented towards children as a result of the increase in the age of the population.
- The average number of people per household across Ontario dropped from 3.9 persons in 1951 to 2.8 in 1981, resulting in a demand for smaller houses.
- A growing proportion of urban housing is rental.
- The apartment boom changed the face of older neighbourhoods in many larger cities.
- Single family housing growth produced the suburbs and drew many families from the existing urban neighbourhoods.
- The premature end to the apartment boom left a growing need unfulfilled. The shortage of rental housing put a great deal of pressure on existing neighbourhoods.
- Many existing houses are under-utilized.

-
- Illegal conversions are accepted but communities by denied legal status.
 - Neighbourhood intensification can help communities spread the local tax load.
 - Conversions encourage conservation, renewal and historical preservation of existing houses.
 - Most conversions will be undertaken by homeowners.
 - Most tenants in conversions have their landlords living in the same house.
 - Most conversions will involve no exterior changes at all.
 - The parking problem need not prevent conversions.
 - Controlled conversions will add to property values rather than lower them.
 - Intensification should form part of a municipality's long-term, positive housing policy.

APPENDIX G
High Density Residential Study Recommendations

RECOMMENDATIONS FROM HIGH DENSITY RESIDENTIAL STUDY

The following recommendations were endorsed by Hamilton City Council on July 26, 1988.

The recommendations that support housing intensification are as follows:

1. That the City pass a resolution urging the Province to modify the Building Code to allow for greater flexibility in the conversion of existing buildings to new residential and commercial uses, while continuing to ensure building safety and that the Planning and Development Committee refer the matter to the Planning and Development Department.
2. That the City pass a resolution urging the Province to increase levels of funding for subsidized housing, especially for the purchase of land and the construction of new units, to encourage additional housing of this type in the Central Area and that the Planning and Development Committee refer the matter to the Planning and Development Department.
3. That the City pass a resolution urging the Federal and Provincial Governments to create a scheme of tax incentives to encourage the rehabilitation of older properties, especially those of architectural and/or historical significance and that the Planning and Development Committee refer the matter to the Planning and Development Department.
4. That the City pass a resolution urging the Province to increase funding and streamline its process for its "Convert-to-Rent" along with the various housing rehabilitation programs under Provincial jurisdiction and that the Planning and Development Committee refer the matter to the Planning and Development Department.
7. That the Central Area Plan Official Plan Amendment include a policy supporting in principle the provision of off-site parking as an alternative to on site parking, in case where it is not feasible to provide the latter and that the Planning and Development Committee refer the matter to the Planning and Development Department.
9. That the Central Area Plan Official Plan Amendment include a policy supporting residential intensification (through conversion and additions) and infilling, and that these terms be defined and that the Planning and Development Committee refer the matter to the Planning and Development Department.

10 a. That the Central Area Plan Official Plan Amendment include a policy supporting the following pattern for multiple residential development:

- where high density development is appropriate that it be located in the downtown core and/or with access to high volume arterial roads.
- low density development be located in the centre of neighbourhoods and at a distance from the downtown core.
- medium density development be located between low density and high density development.
- that high density development should primarily be medium rise although high rise should be permitted particularly in the downtown core and in nodes where direct access to high volume roads is available.
- that locations of both density and high rise be determined through the neighbourhood plan.
- the appropriateness of development should be judged in accordance with the following criteria:

"where little adverse impact is created on views and vistas particularly the Escarpment and the Waterfront, privacy, traffic and street scale and texture."

and that the Planning and Development Committee refer the matter to the Planning and Development Department for review.

10 b. The Central Area Plan Official Plan Amendment should provide definitions of the terms low, medium and high density, and low, medium and high rise and that the Planning and Development Committee refer the matter to the Planning and Development Department.

11. That the Central Area Plan Official Plan Amendment include a policy encouraging further high density residential development in the downtown core and that the Planning and Development Committee refer the matter to the Planning and Development Department.

13 a. That the Central Area Plan Official Plan Amendment include a policy supporting in certain cases the development for residential purposes of vacant areas which exist at ground level under certain apartment buildings and that the Planning and Development Committee refer the matter to the Planning and Development Department.

- 13 b. That portions of landscaped areas of existing apartment buildings be examined for residential use as part of the proposed Housing Intensification Study, and that the matter be referred by the Planning and Development Committee to the Planning and Development Department.
14. That the Central Area Plan Official Plan Amendment include a policy supporting the elimination of the side yard requirement in situations where a building in a neighbouring property is built out to the side lot line, and does not have a window of a habitable room facing the subject property, provided that any new building is of a scale and height compatible with that which is adjacent and that the Planning and Development Committee refer the matter to the Central Area Plan Implementation Committee.
15. That the Central Area Plan Official Plan Amendment include a policy in which front yard requirements for structures may be based on the setbacks of buildings in the same block. This would apply to new buildings with facades compatible in terms of height with facades of existing buildings on the street and that the Planning and Development Committee refer the matter to the Central Area Plan Implementation Committee.
16. That the Durand Neighbourhood Plan be reviewed in consultation with the Durand Neighbourhood Plan Implementation Committee:
- (i) to develop new policies and designations for areas currently zoned for high density residential development;
 - (ii) to permit additional neighbourhood-oriented commercial uses in the neighbourhood residential areas.
- and that the matter be referred by the Planning and Development Committee to the Durand Neighbourhood Plan Implementation Committee and the Planning and Development Department.
18. That new multiple residential zoning categories be established that would have the following characteristics and that the Planning and Development Department prepare a report on the following matters:
- (i) reduced required side and rear yards;
 - (ii) front yards related to the setbacks of buildings on adjacent properties;
 - (iii) reduced landscaping bonuses;
 - (iv) no landscaping bonus;
 - (v) reduced building height.

These three zones would have height and density provisions on the range of the following:

Zone "A": 4 storey maximum, 2.0 floor area/lot area ratio.

Zone "B": 6 storey maximum, 3.0 floor area/lot area ratio.

Zone "C": 8 storey maximum, 4.0 floor area/lot area ratio.

These zones may be applied to new areas to be rezoned for multiple residential development. Furthermore, the owners of Central Area lands within the "E", "E-1", and "E-2" Zones would be permitted to develop their property in line with the above provisions on the following basis:

These three zones would have height and density provisions in the range of the following:

- (i) lands zoned "E" could be developed according to the standards of Zone "A".
- (ii) lands zoned "E-1" also could be developed according to the standards of zone "A".
- (iii) lands zoned "E-3" could be developed according to the standards of zone "B".

19. That the following proposal "That the Zoning By-law be amended to eliminate the current requirement that a Class "A" dwelling unit created through conversion must have an area of at least 65.0 m (700 sq. ft.)" be considered as part of the proposed Housing Intensification Study and that the matter be referred by the Planning and Development Committee to the Planning and Development Department.
20. That the following proposal "That the Zoning By-law be amended to eliminate the width requirement for all multiple residential zones, in the Central Area" be considered as part of the proposed Housing Intensification Study and that the Planning and Development Committee refer the matter to the Planning and Development Department.
21. That the following proposal "That the Zoning By-law be amended to reduce the minimum required lot size to 360.0 sq. m. (4,000 sq. ft.) for all residential zones within the Central Area" be considered as part of the proposed Housing Intensification Study and that the matter be referred by the Planning and Development Committee to the Planning and Development Department.
22. That a planning report be prepared by the Planning and Development Department taking into consideration the following: "That the Zoning By-law be amended to

permit a portion of the landscaped area to be situated on the rooftops or terraces."

27. That the Traffic Department review the parking situation in the Central Area, for the purpose of determining whether the current parking standard for multiple residential structures in the Central Area is appropriate.
29. That the Planning Department review the regulations associated with the zoning categories found in the downtown core and develop new incentives for the purpose of encouraging more housing in that part of the City.
33. That the Planning Department and citizen committees consider the need for more high density housing in the preparation of the neighbourhood plans for Corktown, Central, Beasley, North End East and North End West.
34. That the City expand the current Development Incentives Program, by preparing additional planning briefs for publicly owned underutilized lands in the Central Area, for the purpose of developing those lands for housing and that the matter be referred by the Planning and Development Committee to the Planning and Development Department.
36. That the following proposal "That the City increase the awareness of the owners of large underutilized parcels of land in the Central Area regarding the fact that the City supports the development of many such sites for high density housing, and is willing to adopt a flexible approach to development in order to meet this objective." be considered as part of the proposed Housing Intensification Study and that the matter be referred by the Planning and Development Committee to the Planning and Development Department.

APPENDIX H
Summary of Section 33 of the Planning Act

SECTION 33 OF THE PLANNING ACT

Section 33 of the Planning Act (1983) is designed to aid municipalities in retaining their existing housing stock. The section enables a municipality to place demolition control on residential property. Major aspects of section 33 are as follows:

Implementation

- Demolition control can be placed on the whole or part of an individual residential property. It can also be applied to residential properties on an area or city wide basis.
- Municipalities may withhold issuing a demolition permit until a building permit has been issued for the site of the residential property to be demolished.
- A municipality may issue a demolition permit on condition that a substantial portion of the new building is erected on the site of the residential property by a time specified on the demolition permit (minimum of 2 years).

Penalties

- If the condition of the permit is not met the municipality may collect, as a municipal tax on the property, up to \$20,000 for each unit contained on the residential property for which the demolition permit was issued.
- Anyone who demolishes a building in contravention of a demolition control is liable to a fine of up to \$20,000 per unit demolished, or imprisonment for up to 6 months.

APPENDIX I
Synopsis of Provincial Intensification Programs

PROVINCIAL PROGRAMS RELATED TO INTENSIFICATION

The following is a summary of just a few of the provincially funded programs concerning intensification that are available to both the public and municipalities.

Program for Renewal, Improvement, Development and Economic revitalization (PRIDE)

Under the PRIDE program, funding from the Ministries of Municipal Affairs and Housing is made available to municipalities who are interested in finding ways to provide more housing from buildings that already exist or from lands that have been used for other purposes.

In order to apply for financial assistance under PRIDE, a municipality must meet the following criteria:

- Have an official plan with approved policies relating to community improvement;
- Have an area which complies with area eligibility criteria;
- Have an adopted Property Maintenance and Occupancy Standards By-law applicable to the improvement area pursuant to Section 31 of the Planning Act or under a private members bill; and,
- Have the financial and administrative capability to prepare and implement a community improvement plan.

Applications are received and allocations made for financial assistance under PRIDE on an annual basis. The province will contribute 50 per cent of approved eligible costs. The provincial contribution will be in the form of a grant and the municipality will be responsible for contributing the matching 50 per cent of approved costs.

Neighbours

The Neighbours program is intended to increase community awareness and develop local support for residential intensification opportunities.

Funds are available to assist municipalities and local agencies in undertaking educational or promotional campaigns intended to support local intensification strategies. The local campaigns are intended to increase community awareness and contribute to community acceptance of new households in the community.

Priority will be given to municipalities or agencies promoting the concept in municipalities of

over 100,000 population. In addition, municipal and agency sponsored initiatives must be supported by a council resolution.

Funding will normally not exceed \$50,000 in each municipality. Assistance will be available to cover 100% of staff or consultant time, production of camera - ready art work or audio-visual products.

Municipalities or agencies will be expected to contribute staff time spent in project development, printing and administrative costs, ongoing advertising fees and ongoing promotional staff time.

Home Sharing Program

Through its Home Sharing Program, the Ministry of Housing is co-sponsoring the development of municipal services to match together persons who are seeking and providing accommodation. These services go beyond those of typical housing registry or referral agency. Counselling and follow-up assistance is an integral part of the shared housing approach.

A variety of client groups are served under this program. While primary emphasis has been placed on seniors, projects now also focus on singles, single-parents, students and refugees.

Renewable yearly grants of up to \$40,000 are available to interested municipalities to cover up to 75 per cent of the total operating budget. Municipalities are expected to contribute the remaining 25 percent of the funding required.

Community Planning Grant Program

Under the Community Planning Grant Program, the Ministries of Housing and Municipal Affairs have made available additional funds to encourage municipalities to analyze and identify revisions to land use regulations to support residential intensification.

The additional funds are available only until April 1990, and only if undertaken in conjunction with the PRIDE program.

Municipalities are encouraged to do a comprehensive review and revision of land use regulations and approvals processes to provide for more housing in developed areas; however, proposals dealing with components of the analysis will be considered on their merits.

Funding under the program will cover up to 75 per cent of the eligible costs to a maximum

allocation of \$50,000 per study. Municipalities are not limited to the usual restrictions of one grant per year.

Convert-to-Rent

The Convert-to-Rent program is designed to encourage the creation of moderate-cost market rental apartments, primarily through the conversion of non-residential buildings, by offering interest-free loans.

Assistance is in the form of 15-year interest-free loans of up to \$7,000 per unit. An additional \$5,000 per unit is available for units modified for disabled persons.

In addition to single-family homes, eligible properties include vacant factories, schools and warehouses, as well as space over retail stores and offices which could be converted into housing.

Low-Rise Rehabilitation Program

The Low-Rise Rehabilitation Program offers landlords forgivable loans of up to \$5,000 per unit to help them upgrade the apartments. The apartments must be in buildings of less than five storeys and must be less than 25 years old. There must also be at least two rental units in the building.

The program's objectives are to:

- Improve the physical condition of low-rise rental housing while retaining its market suitability for low and moderate income tenants.
- Prevent the deterioration of low-rise buildings and extend their useful life by 15 years.
- Rehabilitate 17,000 rental units by 1990.



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